The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Japanese Would Abolish "East Hopei" in Exchange for Anti-Soviet Pact

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Latest New York Stock Exchange Quotations

April 15, 1936

Stock Exchange— Business Done:-

Total Volume: 1,940,000 Shares

1935-36 High	1935-36 Low	Div. $ per sh.	STOCKS	Last Sale Apr. 13	Last Sale Apr. 1
13¾	4¼	0.10	Adams Express	13½	12⅞
149⅝	110	4.00	American Can	121½	121⅞
39½	20¼	0.60	Amer. Cyanamid "B"	37	36¼
9⅜	2	—	American & For. Power	8⅞	8¼
42	14	—	American & Foreign Pwr. $7 pfd.	39	36¾
27¼	10⅛	—	American Radiator	23¾	23¼
177¼	98⅝	9.00	American Tel. & Tel.	166¼	165¼
107	74¾	5.00	American Tobacco "B"	92¼	91½
24⅞	7⅛	—	American Waterworks	24¼	23¼
39⅜	8	0.25	Anaconda Copper	39⅜	38½
86½	35⅝	2.00	Atchison, T. & S. Fe	86½	83⅛
53½	15	—	Auburn	45⅛	46
24	7½	—	Baltimore & Ohio	22½	21¼
63¼	21⅝	—	Bethlehem Steel	63	60⅝
26¼	6½	—	Boeing Airplane Co.,	21¾	20¾
15⅞	8⅝	—	Canadian Pacific Railway	13⅜	12¾
170	45¾	—	Case, J. I.	170	167
47⅞	29¼	1.40	Chase National Bank	39¼	38½
74	35	3.00	Chesapeake Corp.	66	66
60⅝	37⅛	2.80	Chesapeake & Ohio	58	57¾
103⅞	31	4.00	Chrysler	103⅞	100½
21⅛	3⅝	0.20	Columbia Gas & Electric	20⅞	20
24⅛	16¼	0.60	Coml. Solvents	20¼	19⅜
4⅝	0⅝	—	Commonwealth & Southern (ord.)	2⅞	3
36⅞	15⅞	1.00	Consolidated Gas of N. Y	33⅞	33
15¼	6⅛	0.25	Consolidated Oil	14⅛	13⅜
38½	15⅜	.87½	Continental Oil	35¼	34¼
78⅜	60	3.00	Corn Products	72⅞	75
78¾	17½	0.75	Douglas Aircraft	61⅝	60⅝
152	86⅝	3.60	Du Pont de Nemours	152	147
24¾	3½	—	Electric Bond & Share	22⅞	22½
41½	20½	0.80	General Electric	40½	39¾
37¼	30	1.50	General Foods	37	37
70⅝	26⅝	2.00	General Motors	70	67⅞
50	15⅝	1.00	General Railway Signal	42	43½
22	14⅜	1.20	Gold Dust	19	18⅞
30¾	15¾	—	Goodyear Tire & Rubber	30¾	30⅜
75½	44	1.00	Humble Oil	70¼	69½
53⅛	22¼	1.00	International Nickel	49⅞	48⅜
19	5⅝	—	International Tel. & Tel	16	15¾
41⅛	13⅝	1.00	Kennecott	41⅛	40⅝
55⅛	31¼	2.00	Loew's Inc.	46½	45¾
26⅛	18½	1.20	Lorillard	22⅛	22
103	55	1.00	Monsanto Chemical	100	99¼
45	21¾	—	Montgomery Ward	44⅜	42⅞
41⅞	18½	1.00	National City Bank	35¼	34⅝
25	12¾	1.20	National Dairy Prods.	23¼	23
34⅛	23¼	2.00	National Distillers	31¾	30⅝
14⅜	4⅜	0.60	National Power & Lt.	11½	11¼
42¼	12¼	0.10	New York Central	42¼	40⅜
39¾	9	1.00	North American	29½	28⅜
36½	13⅛	1.50	Pacific Gas & Electric	39	38¼
56¾	19	2.40	Pacific Lighting	54⅛	53
12¼	3½	0.10	Packard Motors	11⅝	11¼
38⅝	17¼	1.00	Pennsylvania Railroad	38⅝	34¼
49	18¾	1.00	Phillips Petroleum	47	46⅜
48¼	20⅜	2.40	Public Serv. of N.J.	42	41¼
14¼	4	—	Radio Corporation	12¾	12¼
58⅝	42⅛	3.00	Reynolds Tobacco "B"	52½	52⅜
56¼	22	—	Schenley	47	44⅞
69⅞	31	2.00	Sears Roebuck	67	65¾
17	10⅝	0.40	Socony-Vacuum	15	14½
28¼	10⅝	1.50	Southern California Edison	27	27⅜
38½	12¾	—	Southern Pacific	38	37⅛
19¼	12¼	0.80	Standard Brands	16⅛	16
9¾	1¼	—	Standard Gas & Electric	7⅝	7½
69¼	35¾	1.00	Standard Oil Co. of N. J.	64	62¾
71¾	58⅝	3.50	Sterling Products	69⅝	69¼
38¾	28¾	2.00	Texas Gulf Sulphur	35½	34⅝
14⅝	4⅞	0.30	Transamerica	13⅜	13¼
88	44	2.00	Union Carbide & Carbon	87¼	85½
138¼	82⅛	6.00	Union Pacific	133¾	131
31⅝	9⅝	—	United Aircraft (New)	25⅝	24⅝
20⅞	4½	—	United Airline Trans.	19	18¾
8⅛	1⅛	—	United Corporation	7⅛	6⅞
19⅛	9⅛	1.00	United Gas Improvement	16¼	16¼
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Formerly Millard's Review

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THE CHINA WEEKLY REVIEW

Formerly Millard's Review

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCES FROM OTHER COUNTRIES THAT CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

PICTURE-TAKING BAN CAUSE OF SERIOUS MISUNDERSTANDING

PUBLICATION in the April 11 issue of *The Review* of the National Government's regulations pertaining to the taking of pictures in China was responsible for a declaration on the subject by two or three foreigners who claimed that the enforcement of these regulations had been responsible for serious misunderstanding and resentment on the part of tourists who recently visited China. One man, an American contractor, took some pictures of Chinese workmen engaged in leveling a piece of land in Nanking. Unfortunately he was not aware that the place where he was taking the picture was near an airfield. As a result his camera was seized and the film removed by the police on the ground that the picture had military value and in addition violated the prohibition against taking pictures of "backward customs prejudicial to the honor of the Chinese race." Another case, involving two American women travelers, also in Nanking was reported, the allegation being that the women were detained for two hours at one of the city gates waiting for the release of their cameras which had been seized by a policeman. It was charged that the women, while taking a picture of a Chinese shop, inadvertently also had photographed one of the city gates; hence they had violated another regulation which apparently prohibits the photographing of any part of Nanking's ancient and picturesque city wall. According to the regulations (See P. 216, issue April 11) persons desirous of taking photographs or moving pictures must avoid the following:

(1). Things prejudicial to racial dignity of the Chinese nation.
(2). Actions contrary to the Three Peoples' Principles.
(3). Things not of good morals and customs of the country.
(4). Things superstitious or grotesque.

A foreign official who was indirectly concerned in the adjustment of complications growing out of unconscious violation of some of the foregoing regulations by tourists who were not

familiar with the law, expressed the opinion that a too-literal interpretation and enforcement of the rules (passed by the Executive Yuan in 1931) had been responsible for several disagreeable incidents and considerable ensuing resentment. He said there was little or no complaint at the prohibition against the taking of pictures in military areas, but that it was difficult to understand why the ancient Nanking city wall should be regarded as of present-day military value. He also expressed the view that China's sensitiveness about the taking of pictures showing "backward customs" and so-called "superstitious practices," had been interpreted by the police in such manner as to cause serious misunderstanding. For example no one was permitted to take any pictures showing Chinese laborers at work and anyone photographing a funeral or wedding procession was in danger of instant arrest in case he was observed by the police. He contended that instead of reflecting adversely on the dignity of the Chinese people the display of such pictures abroad would arouse friendly interest in China and have the effect of encouraging more persons to travel in the country. Finally the opinion was expressed that Chinese officialdom should encourage the widest possible photographing of Nanking due to the interest which exists in China's construction of a new Capital and the advertising value of such pictures in encouraging further tourist inspection.

As most of the complications have developed because of lack of knowledge of the regulations on the part of tourists, something obviously should be done to inform visitors of the law when they enter the country. This probably could be done by supplying the passport inspectors with copies of the law to be handed to tourists when entering the country. As to the prohibition against taking pictures in military zones, complications on this score could be avoided by erecting signs at the borders of military areas warning persons against the taking of pictures.

WOULD PRESENT NANKING WITH 70 PLANES ON CHIANG'S BIRTHDAY

THE war clouds which are gathering on the Manchurian-Mongolian-Siberian borders have had a stimulative effect on China's purchase of military airplanes. While exact figures are not available, it was reported sometime ago that Nanking and Canton together had purchased in the past ten months approximately 270 planes, many of them of long range cruising types. Now according to reports appearing in the Chinese papers, a plan is being pushed by the National Aviation League, a non-official organization, for the purchase of some 70 planes which will be presented to the National Government this fall on the occasion of Gen. Chiang Kai-shek's fiftieth birthday, Sept. 15.

In addition to the campaign of the National Aviation League, Canton has initiated a separate campaign involving the expenditure of the proceeds of a $10,000,000 bond issue now being floated for the purpose of aviation development. Statements by the leaders of the Canton Aviation Department indicate their intention to develop the best provincial military aviation service in China.

In an effort to prevent too much pressure being applied for contributions toward the aviation fund, Gen. Chiang Kai-shek issued a statement last week that he did not want the public to make a big fuss over the celebration of his birthday. Gen. Chiang did not, however, express any views regarding the campaign of the National Aviation League for airplane donations. Chen Pou-lai, private secretary to the Generalissimo, said that Gen. Chiang could not accept such gifts as airplanes in his own name and that he frowned on certain organs of the government enforcing compulsory contributions for the purpose of purchasing presents in his behalf.

Despite this, however, reports from all parts of the country indicate that the campaign to raise funds for the purchase of airplanes is probably the most extensive ever staged in the land, even surpassing the campaign which followed the Japanese intervention and bombing of Shanghai in 1932. Some idea of the extent of the campaign is indicated in reports which have appeared in the newspapers. The official *Kuomin News Agency* reported on March 26 that all officials of the Nanking municipal administration had decided to contribute toward the aviation fund to the extent of 2% of all salaries below $50.; 5% of all salaries between $50. and $99.; 6% of all salaries between $100. and $199.; and 10% on all salaries above $500. The report also said that landlords would be required to contribute at least one-half of one month's rent to the airplane fund. In at least two places funds of $1,000,000 will be raised,—at Shanghai where it has been decided to purchase a squadron of 9 bombers with one auxiliary plane. Branches of the National Aviation League in Shantung, Tsingtao and Hopei have also announced their decision to raise $1,000,000. The Ningpo Residents' Guild of Hangchow will present the government with 2 planes; Kansu Province, located in the far north-west, will present one plane; various public organizations in Changsha are raising funds for the purchase of one plane. The Kiangsu branch of the National Aviation Association has announced its intention of raising $800,000 for the purchase of 9 planes. In Szechuen Province 700 students in the Chungking primary school pledged themselves to contribute $1. each toward the fund. Public organizations in Nanking will raise $500,000 toward the fund. One report stated that the inmates of the prison at Wanhsien, Szechuen

Province, were raising funds for the purchase of a plane which would be christened, "Prison". Public organizations in Taiyuanfu have pledged themselves to raise $500,000. Shanghai party members have pledged themselves to contribute $2. each toward the $1,000,000 fund being raised here. Gen. Hsiung Shih-hui, Chairman of the Kiangsi Provincial government, issued instructions to his subordinates to raise $320,000 within the province for the purchase of 4 planes which will be presented to the government on the occasion of Gen. Chiang's birthday. In Foochow, 10,000 students who attended a public meeting agreed to solicit funds for the purchase of a plane. The meeting was presided over by Gen. Chen-yi, Chairman of the province. Overseas Chinese in Fukien Province will also raise sufficient funds for the purchase of one plane in addition to another to be purchased by overseas students which will be christened "The Fukien Student". According to members of the Aviation League, sufficient funds have already been pledged to purchase approximately 30 planes. The officials of the Shanghai municipal government, headed by Mayor Wu Teh-chen, are taking the lead in the drive for funds here.

SHANGHAI NIPPO'S "APRIL FOOL" JOKE ON U.S. AMBASSADOR

JAPAN'S imperialistic development apparently has reached the point where Japanese newspapers feel free to appropriate occidental humor, otherwise we are at a loss to understand why the *Shanghai Nippo* should have selected April 1 (All Fool's Day) for perpetrating a little diplomatic joke at the expense of the American Ambassador. It was on this particular date that the *Nippo* published a dispatch alleging that Nelson T. Johnson, American Ambassador, had "advised" Gen. Chiang Kai-shek to adopt adequate measures to prevent the Soviet authorities from extending their influence into Sinkiang province. Continuing, the dispatch stated that the American Ambassador had told Gen. Chiang that the sovietization of Sinkiang "would be a serious menace to China proper; that all Powers were paying close attention to the expansion of Soviet influence in China, but it was noticeable that the American authorities were first to call Nanking's attention to the matter." In addition to this the *Nippo* published an editorial in the same issue referring to the departure of the Chinese bankers K. P. Chen and P. W. Kuo on a trip to Washington and in this connection referred again to the American Ambassador's "warning" about Soviet encroachment in Sinkiang. It is understood that one paper in Peiping known as the *Asia People's Voice*, also a Japanese organ, published a similar item, likewise on April 1.

For those who may be unfamiliar with the geography of Asia, the province of Sinkiang, most western of Chinese territory, is probably 2,000 miles from the coast and so far as we know contains not one single American missionary and no American commercial interests of any character; hence there could be no justification for American intervention into that far field for any reason based on protection of American persons or property. Recently it is understood that the American Embassy officials did make inquiry of the Chinese authorities regarding measures for the protection of American citizens in Shansi and Yunnan where a communist-bandit menace did exist, but as to Sinkiang the report published in the Japanese newspaper was entirely incorrect, to use a more expressive term, "purely fictitious."

The Japanese motive in publishing the fictitious report in both Shanghai and Peiping apparently was for the purpose of creating the impression among the Chinese people that the United States was supporting Japan's campaign to force China into an anti-red alliance in North China.

The *Ta Wan Pao* recently called attention to the fabrication of news by Japanese news agencies, the chief offender being the semi-official *Domei Service* which also selected the night of April 1 for circulating a report *in Shanghai* that Gen. Han Fu-chu, Governor of Shantung, had been assassinated and simultaneously circulating another report *in Shantung* that Gen. Chiang Kai-shek had been assassinated. According to the Chinese paper the Japanese news agency has repeatedly circulated reports alleging that Gen. Chiang Kai-shek while traveling in the interior had either been injured, killed or captured by bandits. Recently when Gen. Chiang went to Hankow *Domei* broadcasted a report alleging that Chiang had secretly departed in an airplane for Taiyuanfu, Shansi province, whereas the Generalissimo actually went to Szechuen on a gunboat. There have been the constant Japanese reports alleging an alliance between the Government forces and the reds in Shensi and Shansi which had no foundation in fact. Also there was the recent report in *Domei* claiming that Chen Kuo-fu, Chairman of Kiangsu, had gone to the U. S. S. R. on a secret mission concerned with a Sino-Soviet alliance. Mr. Chen is in Chinkiang, capital of Kiangsu, and has been there for the past month, but *Domei* never corrects a false report—unless some stronger Power is affected—witness the recent case wherein a report was circulated from Tokyo alleging that the French Concession in Shanghai had become a center of red activity, following the signing of the Franco-Soviet pact of mutual assistance. The French authorities were indignant at the circulation of this falsehood and immediately forced the Tokyo Foreign Office to apologize and at the same time compelled *Domei* to print a correction and apology.

Japanese Would Abolish "East Hopei" in Exchange for Anti-Red Pact

WHEN Major-General Kenji Doihara, now in command of troops in the Tokyo district, advised the Japanese Government to cease dealing with China as a united nation and concentrate on local administrations, it probably indicated the trend of Japanese politics in North China in the immediate future. This also, in all probability, will be the policy of Hachiro Arita, the new Foreign Minister, as it was reported he derived little satisfaction from his conversational-marathon with Gen. Chang Chun, Foreign Minister at Nanking.

Recent developments in the North confirm these reports from Tokyo, at least insofar as the developments are known to the public. That very little of what is actually being done in the North is known to the public is obvious. But despite all the secrecy sufficient is known to convince most thoughtful Chinese that North China is rapidly losing its identity as an integral part of the nation.

First, there was the report from Tientsin that Yin Ju-keng, head of the "East Hopei Government," had sent a delegation, headed by a certain Chih Tsung-mo, to Manchukuo for the purpose of thanking the Japanese Kwantung army —for conquering China—no, for its assistance in establishing friendly relations with Manchukuo! Ample confirmation of a report in these columns two months ago that Yin had made a secret agreement with the Japanese to recognize Manchukuo! Upon arrival in Hsinking the East Hopei mission will call on Gen. Kenkichi Uyeda, Commander of the Kwantung army and Ambassador to Manchukuo. Then there will be a call at the Manchukuo Foreign Office to thank Chuichi Ohashi, Japanese vice-minister for his trip to Tungchow last winter. It was Ohashi who negotiated the secret recognition agreement with Yin. Then, as a fitting climax, the East Hopei delegation will be "received in audience" by Emperor Kangte!

Some further items of interest regarding the East Hopei administration are sufficient to indicate that Japan has no intention of abolishing that bogus state, except at a price few Chinese would be willing to pay—providing they had anything to say about it. First, East Hopei is building extensive barracks at Tungchow, Tangku and elsewhere for the housing of its rapidly expanding army which is being trained by Japanese officers loaned by the Kwantung army. Second, East Hopei's new bank, which will have the right of note issue and will be capitalized at $5,000,000 will begin functioning within three months. It also has been announced that Yin will shortly open an East Hopei University at Tangshan. Third, Yin has made a deal with the South Manchuria Railway for the construction and management of two light railways connecting Tungchow, Kupeikow and Shanhaikwan, and also, possibly, Peiping. Fourth, East Hopei, in accordance with its anti-red pact with the Japanese Kwantung army, raided the town of Changli and arrested 74 Chinese charged with communism. Similar raids were conducted in Tangshan.

Next in importance among recent developments in the North was the report on Tuesday of this week that the Japanese military forces in the Tientsin-Peiping area are being rapidly increased. Some 600 new Japanese soldiers were landed at Tangku on April 13, of which 250 went to Tangshan (north of Tientsin) and 350 went to Peiping. A report in the *Sin Wan Pao* stated that the Japanese were constructing new barracks in Tientsin and in addition had rented a number of hotels and other large buildings as temporary quarters. Major Imai, Japanese Military Attache refused to state the probable number of new troops to be sent to North China, but reports in the North China papers have mentioned figures ranging from 4,000 to 8,000. A report in the *Ta Mei Wan Pao* (March 20) from Peiping quoted supposedly well informed quarters to the effect that the Japanese are shortly sending nine divisions to the Continent, of which four will go to Manchuria and one each to Tientsin-Peiping, Tsingtao, Shanghai, Yangtsze Valley and one to Formosa to be available for transport to Fukien ports.

Special Service Departments of the Kwantung army are to be established shortly in both Tientsin and Peiping. Major-General T. Matsumure, formerly chief of the Japanese 7th army division, has assumed office in North China as chief of the Special Service Department, in succession to Major-General Kenji Doihara, now in Tokyo.

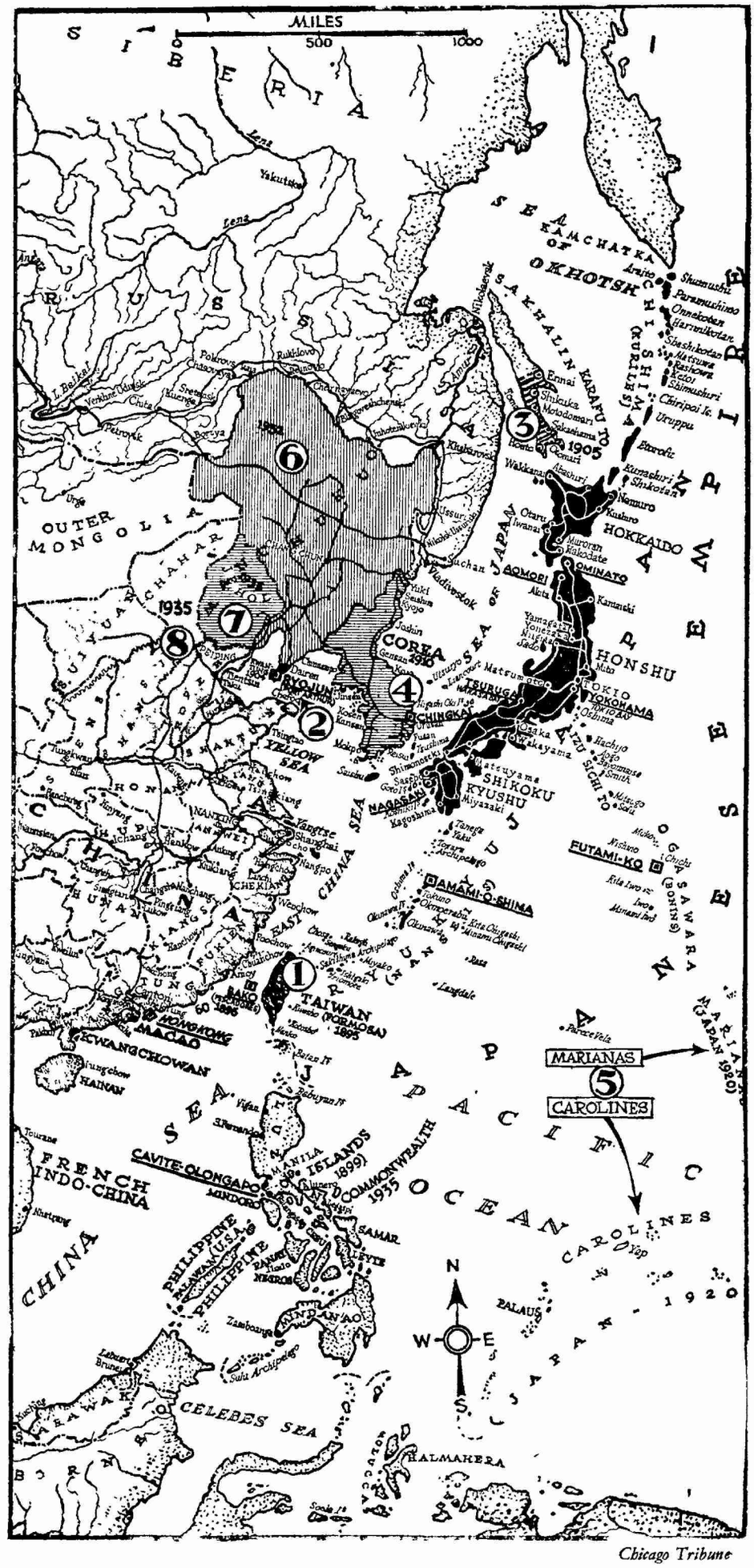
A further report of considerable significance appeared in the *Shanghai Mainichi* (April 11) to the effect that the Hopei-Chahar Council had proposed to Nanking the early creation in Peiping of a special office of Foreign Affairs that would be empowered to (1) conduct negotiations with foreign Powers at Tientsin and Tangku; (2) the chairman of the Foreign Affairs Bureau to be appointed by Peiping and to carry on business subject to the orders of the Council; (3) its duties to include negotiations of all kinds, carrying out instructions of the Hopei-Chahar Council on important questions.

Finally, there was the report, unconfirmed, which was published in the March 16 issue of the *San Min Chu Yi Monthly*, organ of Hu Han-min at Canton, to the effect that the Hopei-Chahar

Council had already signed an "anti-red" alliance with the Japanese Kwantung army containing the following clauses:

1—Joint action by Hopei-Charhar Political Affairs Council and Japanese garrison at Tientsin against Chinese communists in North China.
2—Following conclusion of the agreement, Yin Ju-keng will issue a manifesto abolishing the East Hopei Anti-Communist Autonomous Government.
3—In exchange for abolishing the East Hopei regime, Yin Ju-keng will be appointed Mayor of Tientsin or Governor of the Demilitarized Zone.
4—The Demilitarized Zone in Luantung will be retained.
5—A company known as Hing-Tung will be vested with monopolistic power to exploit the natural resources of the Demilitarized Zone.
6—Japanese instructors will be appointed in all Chinese schools, and Japanese advisers appointed to all departments of the North China Administrations.

The *Shun Pao* stated editorially on April 14 that the Japanese military authorities were planning to greatly increase their forces in North China "on the pretext of joint defense against the communist invasion." The Japanese were demanding the conclusion of an agreement for Joint Defense Against the Communists and also were demanding the formation of a Committee on Joint Defense Against the Communists. The Chinese authorities had repeatedly demonstrated to the Japanese China's ability to handle the red situation, but the Japanese were continuing their demands. No progress had been made in the negotiations for the abolition of the East Hopei regime or the North Chahar regime. As the bogus regime was establishing its



Chicago Tribune

Japanese expansion, step by step, is indicated by the numbers and dates on the map in the adjoining column, reproduced from the *Chicago Tribune*. As may be seen most of Japan's expansion has been at the expense of China, beginning with Formosa in 1895. The southern end of Sakhalin was obtained from Russia and the Marianas and Caroline Islands were taken from Germany, but China has been the chief victim of Japanese aggression.

own customs houses and was introducing Japanese-edited text books for the enslavement of the Chinese children, there was little evidence of Japan's intention to abolish the East Hopei regime "without obtaining something even more beneficial to them." As to the situation in North Chahar, the Japanese used a similar argument on that front, that the so-called Mongol regime was created for the purpose of joint defense against the communist invasion of Suiyuan and Chahar; that instead of withdrawing the Manchukuo troops from Chahar, more Japanese troops will be sent into the area. Therefore, concluded the editorial, "It may be said that diplomatic means will not be sufficient to persuade the Japanese warlords to abolish the bogus regimes of East Hopei or North Chahar, the Demilitarized Zone or cancel their plan for military expansion into North China North China problems demand other means aside from diplomacy."

The *Ta Kung Pao*, best informed newspaper on North China developments, stated in its Shanghai edition on April 3 that the Japanese would take no steps to comply with China's wishes in the North except in exchange for China's consent to cooperate with the Japanese in the anti-red war and other ambitious Japanese military plans, presumably in Mongolia. The paper also reported that large numbers of Japanese military officers are now traveling to Shansi and Japanese military planes fly over the province almost daily. Concluding the discussion the *Ta Kung Pao* said:

> "Communist activities are Chinese internal problems similar to the May 15 and February 28 incidents in Tokyo which were Japanese internal problems. We need no foreign power to worry for us. The Japanese repeatedly declared that they are greatly interested in the problem, because Hopei and Chahar provinces are so near to Manchuria that Japan must protect their interests. This is but a pretext to carry out her aggressive activities. If there was no aggression, how could there be a puppet state of 'Manchukuo?" If there was no aggression, whence came the special privileges of the Japanese in Hopei and Chahar provinces? If the results of aggressive activities could be regarded as a legal basies for further aggressive activities, Japan would be champion of peace only after 'swallowing' the entire country of China!
>
> "It must be noted that one of the three-point principles of Hirota was joint defence against Communism by China, Japan and 'Manchukuo'. As a result of the efforts of Ambassador Arita in Nanking, Japan realizes that China will not accept the Three-Point principles. As a result, the Japanese authorities have turned their attention to North China. Taking advantage of the Communist activities in Shansi, the Japanese are compelling General Sung Cheh-yuan, Chairman of the Hopei and Chahar Political Affairs Council to come to an agreement with them for the joint defence against Communist invasion in Hopei and Chahar provinces. Undoubtedly, General Sung is facing serious threats at the present time. General Sung's firm decision to adhere to the decision of the National Government in the face of these threats demands our admiration. However, will this situation in the North last long? We must exert our strength to suppress the Communists, so as not to give a chance to the Japanese to carry out their ulterior motives.
>
> "The Japanese advance to the west is a part of their plan to fight the USSR. Chahar, Suiyuan, Shansi and Shensi are to be the first line of Japanese military operations. All the provinces north of the Yellow River will be involved. China will be the one to be sacrificed in a war between Japan and the USSR. With an understanding of this situation, it should be mentioned that the suppression of the Communists is but a means to stop the Japanese from taking advantage of the Communist activities to occupy North China. The fundamental problem lies in the basic Chinese policy toward Japan."

Of final significance in connection with the struggle now proceeding in North China was a recent report in the *Nichi-Nichi Shimbun* (Tokyo) to the effect that Gen. Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, "was ignoring the understanding he had reached with the Japanese military authorities for joint-defense against the Communists; hence the Japanese were tightening their attitude toward Gen. Sung and were preparing to adopt a definite stand toward him in case his lack of faith was proved."

Pearl Buck Says What China Needs Is Some "Honest Enlightenment"

Pearl Buck, in the course of a contribution to the current issue of *Asia*, comments as follows: "The *People's Tribune*, which is the propaganda organ of a leading official in the present Chinese government, contains an article in the form of a letter, written under that refuge of the timid, a pen name. The letter is addressed to Dr. Lin Yu-tang, and bitterly reproaches him for having revealed to foreigners the state of China, for having given ammunition to 'die-hards' and to Japan, and for not having given full credit for reforms which the present government has undertaken. I do not propose to reply to this letter, for it is not my concern, and anyway Dr. Lin Yu-tang is amply able to take care of himself. The real value of these pages to me is that they crystallize my thoughts upon the question, "What does it mean to be a friend of China," or actually, what sort of presentation of China wins for her abroad the most appreciation and real friendship? I am perfectly familiar, through long experience, with the Chinese answers to that question. The answers vary from those given by the usual small proportion of balanced and highly intelligent minds, enlightened by a humorous tinge, who comprehend for themselves the value of their own presentation of their country, to the extreme chauvinism of government officials who view with alarm a harmless tourist and his camera and with complete fear and indignation a motion-picture camera. "We fear," said an editorial two years ago in a Chinese official newspaper, and apropos of an American motion-picture company trying to get some background pictures of Chinese scenes, "that in spite of the utmost vigilance of the government there will be a few servants with dirty aprons and some women with bound feet in this picture." The complete story of that picture will be told some day, and the disclosure of the Chinese mind will be far more amusing and revealing than anything the carefully guarded picture will show. . . .

"The important thing is that people in China whether they are high in government, or students, or ultrasensitive Chinese living in international settlements, or anonymous writers, or what not, need some honest enlightenment. In the first place, Westerners are not such fools as these Chinese seem to think they are. They are about as clever as the Chinese—as least, they know from practice all the tricks of gulling people and of putting on a false front. They view with nothing except honest amusement the efforts of "patriotic" Chinese who come as ambassadors of good-will abroad and paint a picture of China all calm and content and teeming with fine philosophy and plenty for everybody. They simply do not believe there is such a place, for these Chinese ambassadors make the mistake of painting the picture as bright as a chromo—it loses all truth even as art."

Annual Meeting of China Foundation Will Be Held April 18

The annual meeting of the China Foundation will be held in Shanghai on April 18. Clarence Senn, Executive Secretary and concurrently Acting Director of the Foundation, and Dr. Hu Shih, the Hon. Secretary of the Board of Directors of the Foundation, will be in attendance. The meeting will discuss applications for grants made by a number of cultural institutions, including Yenching University, Nankai University, the National Medical College in Shanghai and the Geological Survey. The meeting will also elect a new director to fill the vacancy caused by the death of Dr. V. K. Ting.

Hirota and Arita Agree on New China Policy; Shansi Reds Suffer Heavy Casualties

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Doihara Advises to Deal With China Regionally.**
2. **Kita Says Nanking Officials Are Pro-Soviet.**
3. **Manchukuo Troops Pushing Southward in Chahar.**
4. **Prerequisites for Readjustment of Sino-Japanese Relations.**
5. **Shansi Reds Suffer Heavy Casualties.**
6. **Strength and Positions of Red Forces in Shansi.**
7. **Gen. Chiang Kai-shek Inspects Conditions on Upper Yangtsze.**
8. **China's Draft Constitution to Be Published May 5.**

Nippon's relations with China, Soviet Russia, Outer Mongolia and Manchukuo were reviewed in an hour's report made April 11 by Hachiro Arita, the newly-appointed Foreign Minister, to Premier Koki Hirota, reported *Domei*. Especial attention, the report stated, was devoted by Mr. Arita to Japan's relations with Soviet Russia, the present situation on the Manchukuo-Outer Mongolian border, and the Nanking Government's attitude towards Japan. Gaimusho officials said that Mr. Hirota and Mr. Arita discussed the appointment of the latter's successor in China, and agreed on the following two principles: 1. That the establishment of friendly relations between China, Japan and Manchukuo was a pre-requisite to the maintenance of peace in the Far East. 2. That to secure peace, the Nanking Government must take steps to put an end to anti-Japanese activities in China.

Conversations designed to result in the formulation of a new foreign policy were continued April 15 between Foreign Minster, Arita and executive officials of the Gaimusho. Replying to questions of foreign correspondents, a spokesman of the Foreign Office said that Mr. Arita while in China as Ambassador, expressed no opinion on the so-called There Basic Principles for the Readjustment of Sino-Japanese relations in his conversations with Gen. Chiang Kai-shek, and Gen. Chang Chun, The spokesman said that Mr. Arita "freely exchanged views" with the Chinese statesmen in his private capacity, but did not touch on the question of the Three-Point Program.

Toshio Shiratori, Japanese Minister to Scandinavia, who monopolized the limelight as Japan's fiery spokesman at the time of the Manchurian Campaign of 1931, has entered the list of potential candidates as Japan's next ambassador to China, as he has been summoned to return to Japan at once. With the addition of Mr. Shiratori, the number of candidates for the Nanking post has grown to five. These are: Shigenori Togo, Director of the Bureau of European and Asiatic Affairs; Kazue Kuwajima, Director of the Bureau of East Asiatic Affairs; Shigeru Kawagoe, Consul-General at Tientsin, and Teiji Tsubogami, former director of the Bureau of Cultural Affairs of the Foreign Office. The five men's chances for selection to the important position appeared to be fairly matched.

Kensuke Horinouchi, director of the American Affairs Bureau of the Foreign Office, was formally appointed on April 10 vice-minister of Foreign Affairs in succession to Mamoru Shigemitsu, who had resigned on grounds of ill-health. Simultaneously, the retirement of Mr. Shigemitsu was sanctioned by the Government.

DOIHARA ADVISES TO DEAL WITH CHINA REGIONALLY

Sino-Japanese relations will be improved when the Tokyo Government ceases to deal with China as a unified nation and "co-operates" with the various local administrations in the latter country. This opinion was voiced by Major-Gen. Kenji Doihara, former director of the Special Service Division of the Kwangtung Army in Mukden, who has recently been assigned to duties with the First Army Division in Tokyo. Addressing a meeting, Major-Gen. Doihara traced the failure of past efforts at the promotion of better Sino-Japanese feeling to what he described as Nippon's "blunder." In the event that Japan deals with the separate local administrative units in China, the relations among the latter will have to be "proper adjusted," he said.

Sir Alexander Cadogan, retiring British Ambassador to China, was the guest of honor at a luncheon given April 9 by Mamoru Shigemitsu, resigning Vice-Minister of Foreign Affairs. The British diplomat is on his way home, where he will assume the post of acting permament under-secretary for Foreign Affairs. Anglo-Japanese relations in general are understood to have been discussed at the gathering, at which were also present Sir Robert Clive, British Ambassador in Tokyo; Baron Gonsuke Hayashi, former envoy to the Court of St. James and vice-president of the Anglo-Japanese Society; Viscount Yoshitami Matsudaria, Grand Master of Ceremonies; Shigeru Yoshida, ambassador-designate to Great Britain, and Akira Ariyoshi, former Japanese Ambassador to China. Hachiro Arita, Foreign Minister, was unable to attend the luncheon because of a slight indisposition.

JAPANESE VIEW OF BRITISH AND FRENCH INFLUENCE IN SZECHUAN

Shanghai Mainichi reported April 6 that British and French interests are deeply concerned in the development of natural resources in Szechuan. Accompanying the process of the 'centralization' of the province by the National Government, the French capital is encouraging the construction of a railway from Chinchow (in Kwangtung) to Chungking (in Szechuan), while the British are attempting to extend the Canton-Hankow Railway to Szechuan, in order to 'rob' the natural resources of Szechuan. Despite the report that the National Government will allot 25 million dollars for the construction of the railway from Chungking to Chengtu, an agreement has been concluded by General Liu Hsiang, Governor of the province, with a certain French financial corporation to give a credit of $40,000,000 to the Provincial Government for the construction of this railway. The French corporation will supply $20,000,000 worth of materials, and $10,000,000 more for the inauguration of the line. With the financial assistance of both Great Britain and France, the province will be colonized by the two powers.

KITA SAYS NANKING OFFICIALS ARE PRO-SOVIET

The Nanking Government's alleged pro-Soviet tendencies were given as the reason for the Communist penetration of China by Major-Gen. Seiichi Kita. on his departure for his post as Japanese military attache in China. "The Sino-Japanese relations since the outbreak of the Manchurian Incident," the officer declared, "have been steadily aggravated by the Nanking Government's anti-Japanese policies, and no improvement in the relationships has been noticeable. "While Nanking retains a sceptical attitude towards Japan, it also maintains its dependence on the Occident".

Immediate steps to secure "actual co-operation" between the two nations would, Major-General Kita said, benefit not only the two nations, but the Orient as a whole. Commenting on the reported Communist infiltration into Suiyuan, the officer declared that "in view of the proximity of the province to North China, Japan cannot remain indifferent to the situation".

Japan's policy towards China, he asserted, has been "firmly established" since her withdrawal from the League of Nations. "Japan has no alternative but to maintain the peace of the Orient and to secure co-operation with China. The so-called Three-Point Program is but an affirmation of these two principles, which must be clearly understood by China".

The officer will sail for Shanghai from Kobe aboard the *s.s. Shanghai Maru* on April 19. Upon his arrival in Shanghai, *Domei* learned, Maj.-Gen. Kita will immediately proceed to Nanking to sound the views of Chinese Government leaders on Japan and Soviet Russia. Later he will make a tour of North China to study the activities of the Hopei-Chahar Political Council and the East Hopei Autonomous Anti-Communist Government, and the situation in Inner and Outer Mongolia. He will then return to Tokyo to report on his observations to Army officials.

SCIENCE INSTITUTES AND LIBRARY IN CHINA PLANNED BY GAIMUSHO

Moving towards a closer cultural co-operation between Japan and China, the Japanese Foreign Office will seek appropriations, at the extraordinary session of the Diet in May, for the establishment of applied science institutes in Tsingtao and in Tientsin and of a library in either Peiping or Shanghai, *Domei* reported from Tokyo April 13. The institutes will be founded at a cost of Yen 400,000 each, if the Diet approves the plan. The studies at these establishments will be primarily devoted to industry and agriculture with a view to helping the development of the areas centering on these two cities. Philosophy and literature and the other arts will also receive attention. The library will be established for the purpose of helping Chinese graduates of Japanese schools and universities in continuing their studies and to aid Chinese preparing for a period of study in Japan. Experts will be assigned to supervise the activities of all these institutions.

To unify control of all educational activities in the two provinces of Hopei and Chahar and the Peiping and Tientsin municipalities, the Hopei and Chahar Political Council decided April 10 to establish an Education Committee with Liu Cheh, member of the Council, as chairman. The new Committee will be inaugurated shortly.

"MANCHUKUO" TROOPS PUSHING SOUTHWARD IN CHAHAR

The 3,000 "Manchukuo" troops under the command of Li Sou-hsin are busily engaged in pushing southward to Kalgan,

according to reports received at Tientsin. More than half of the officers of these troops are Japanese. These troops are originally stationed at Changpei, Kuyuan, Paochong, Shangtu, Kongpao and Huateh in North Chahar. On the pretext of joint defence against Communistic invasion, the Japanese are reported to be extremely active among the Mongolian leaders. These people are pressing hard upon the Mongolian leaders for the organization of an independent Mongolian Government. Great anxiety is being felt by local authorities about the general situation.

According to reports received at Tientsin from Kalgan, Tso Shih-hai, commander of the Mongolian cavalrymen in North Chahar, is recruiting large number of Mongolians for the organizing of a big army for the North Chahar puppet government. According to the report, already 2,000 persons have been recruited and are now being trained at Changpei. These men receive from $10 to $14 a month as their wages.

A detachment of 251 Japanese soldiers, fully equipped and accompanied by 4 machine guns, arrived in Peiping from Tangku by special train April 13. They are now quartered in the Japanese barracks in the Legation Quarter.

The Japanese Special Service Department in Tientsin has been ordered to be reorganized into the Tientsin office of the Japanese air forces, according to a report in the *Sin Wen Pao* April 13. With a view to extending their influence to the central part of the Yellow River, a Japanese aerodrome is being erected in Chengchow, Honan. The aerodrome, which occupies an area of 500 mow, is located in Zaochwang in Chengchow.

GEN. HAN FU-CHU REPORTED VISITING JAPANESE ADMIRAL AT TSINGTAO

Riding a third-class carriage in company with five of his bodyguards, Gen. Han Fu-chu, chairman of Shantung, quietly visited Tsingtao on April 14, reported *Domei*. It was rumored that Gen. Han went there to call on Admiral Sankichi Takahashi, commander-in-chief of the Japanese Combined Fleet, now in Tsingtao aboard his flagship *Nagato*.

Martial law has been proclaimed at Chuanchow, south-eastern Fukien, by the Pacification Headquarters for the 3rd Area in order to check the subversive activities of traitors and rowdies. The Fukien Provincial Peace Preservation Bureau has petitioned the Fukien Provincial Government to issue an order for the arrest of 15 notorious traitors including Chen Wei-yuan, Ho Hsien-tsu, Yang Han-lieh, Hung Che-ming, Lin Tao-chuan, Kuo Tsung, Kuo Tu-ku, Wu Peng and Li Fa, who recently attempted to stage an uprising in southern Fukien.

Despite the efforts of the Chinese authorities to stop the activities of various illegal organizations, the so-called "self-Governing Association of Fukien", the "Iron and Blood League of Fukien Youth", the "Young Men National Salvation Association of South Fukien", the "Chinese Revolutionary League", and the "Fukien Self-Governing Promotion Association" organized by Chinese traitors, are extremely active in Fukien. Representatives of these associations recently held a secret conference at Kulanyu, opposite Amoy to discuss financial problems of the associations, at which the representatives decided to use the money derived from the sale of opium, supplied by the Formosans, to meet their expenses. At present Formosan opium is being sold at Putien, Huian, Lungki and other districts in south Fukien.

Chinese Customs inspectors at Canton discovered that a Japanese military officer, when traveling along the Canton-Kowloon Railway on March 31, was in possession of a secret military map of South China, according to *Ta Mei Wan Pao* April 6. Upon discovery, the Japanese immediately torn the map into pieces. The Japanese was allowed to continue his trip to Hongkong.

For the development of Formosan trade in Kwangtung province, the Formosan Government has sent a number of investigators to Kwangtung, reported *Shun Pao* April 7. These investigators are visiting the various districts in the province, investigating the native products of the province.

PREREQUISITES FOR READJUSTMENT OF SINO-JAPANESE RELATIONS

Dr. Hu Shih, the eminent Chinese scholar and philosopher, in an article in the *Ta Kiung Pao* on April 12, pointed out that the most important problem confronting the Chinese and Japanese peoples is the problem of eliminating hatred among the two peoples. The problem for the readjustment of Sino-Japanese relations is not 'rapprochement'. There will be no 'rapprochement' if 'hatred' among the peoples cannot be removed. To speak of 'rapprochement' by the Japanese before the removal of 'hatred' is an insult to China. It is also insincere if China speaks of 'rapprochement' at the present time. 'Because of the hatred among the Chinese and Japanese peoples resulting from the political events of the past four or five years, it is necessary for the authorities of the two countries to readjust the relations of the two countries. In simple language, we must remove the Chinese hatred against the Japanese, which has resulted from the unlimited aggression of the Japanese. As long as this hatred cannot be removed, there is no chance for the readjustment of Sino-Japanese relations and there is no room for negotiations of raprochement. Unfortunately, when Mr. Hirota asked for the readjustment of Sino-Japanese relations, be proposed to General Chiang Tso-ping, then Chinese Ambassador to Japan, the so-called Three-Point Principles. To Mr. Hirota, the three-point principles are the preprequisites for the readjustment of Sino-Japanese relations. These three-point principles have been rejected by the Chinese Government. According a Tokyo report of the *Domei News Agency*, the Japanese Government will continue 'to readjust Sino-Japanese relations under the three-point principles of Hirota. Taking advantage of the Communist activities in Shansi, the Japanese authorities are striving for the adoption of joint measures as a defence against the Communist invasion. We want to inform the Japanese plainly that the three-point principles will increase hatred among the Chinese and Japanese peoples. The three-point prineiples are not prerequisits for the readjustment of Sino-Japanese realtions.

The fundamental principle for readjustment of Sino-Japanese relations is to remove hatred among the two peoples. The Chinese hatred, we admit, cannot be removed in a short time. In the past years, the Japanese Government has compelled the Chinese authorities to suppress the anti-Japanese movements. The Chinese Government has done all it can in this respect. But the hatred of the Chinese people against the Japanese has not been reduced. Instead, it has been increased. The key to the removal of hatred is not in the hands of the Chinese, but in the Japanese. From the standpoint of Chinese we would like to propose prerequisites for the readjustment of Sino-Japanese relations. If the Japanese authorities are sincere in their attempts to readjust Sino-Japanese relations, these prerequisites can be complied with by the Japanese Government. Our proposals are:

(1) Cancellation of the Tanku Truce Agreement and Abolition of the Demilitarized Zone.
(2) Nullification of the Ho-Umetsu Agreement,
(3) Cancellation of the provisions of the 1901 agreement, removal of the Japanese Embassy to Nanking and the withdrawal of Japanese troops stationed south of the Great Wall to Japan,
(4) Cancellation of the East Chahar agreement of last June and the withdrawal of 'Manchukuo' troops from Chahar.
(5) To prohibit all 'autonomous movements' in North China and Fukien,
(6) The abolition of extra-territorial rights,
(7) The unification of Japanese diplomacy. Nullification of all agreements concluded between local authorities of China and military authorities of Japan.

Commenting on the article by Dr. Hu Shih, the *Shanghai Mainichi* writes:

"According to Dr. Hu, the present Sino-Japanese relations are characterized by an unlimited aggression by the Japanese, the feeling of superiority on their part, and the hostility of the Chinese against them. A readjustment of the Sino-Japanese relations are absolutely impossible, as long as hostility against Japan remains. Although the Japanese regard the three principles advocated by Mr. Hirota as a condition precedent for the improvement of Sino-Japanese relations, the Chinese regard the same principles as only facilitating a further breach. Frankly speaking, Dr. Hu is prejudiced and ignorant of the situation's objective. Contrary to his patriotic enthusiasm, his views will only aggravate the present Sino-Japanese relations. Neglecting the fundamental reasons for the so-called hostility on the part of the Chinese against Japan, Dr. Hu only exaggerates this hostility, and rests the whole responsibility upon the shoulders of the Japanese. It is apparent, state the opinions of Dr. Hu, that only concessions made by the Japanese can improve the relations between both countries." In conclusion, the paper points out that Dr. Hu always neglectes the semi-colonial position of China, and is only attempting to save the face of the country.

POWERS OF MONGOLIAN POLITICAL COUNCILS DEFINED

Misunderstandings regarding the respective powers of the Mongolian Local Autonomy Political Council and the newly organized Autonomy Political Council for Mongolian Leagues and Banners in Suiyuan were clarified by a high government official in an interview with the *Central News Agency* April 8. Both councils the official said, are under the jurisdcition of the Executive Yuan and enjoy an equal status. While the Pailingmiao council controls the Silingol League and other leagues and banners in Chahar, the Suiyuan council rules over the Ulan Chap League and other leagues and banners in Suiyuan. Asked about relations between the Suiyuan council and the Suiyuan Provincial Government, the official said that they are independent of each other.

Completing his visit in Nanking, Prince Pan, vice-Chairman of the Suiyuan Mongolian Political Council, returned to Peiping by train April 12. Prince Pan will visit Gen. Yen Hsi-shan before returning to Suiyuan.

Nearly 200,000 Mongols in the Olanchab and Silingol Leagues headed by Prince Wang, were reported by the *Kokutsu News Agency* April 10 to be on the brink of starvation, as a result of enormous cattle losses. The agency said that about 80 per cent of the 1,500,000 sheep, 350,000 horses and 400,000 other animals owned by the Inner Mongols have perished, as their pastures disappeared beneath a four-meter blanket of snow. According to *Kokutsu*, at least $3,500,000 is urgently needed to save the remainder of the livestock, which must be transferred to other grazing areas.

SINKING ARMY TO BE RENAMED NEW NORTHEASTERN ARMY

By the order of the Nanking Government, the Sinkiang provincial army under General Sheng Shih-tsai has now been reorganized into the New Northeastern Army, reported *Hangchow Tung Nan Jih Pao*, April 10. The new Northeastern Army, totalling 60,000, is now being stationed North and South of Tien Shan.

To correct false impressions on the conditions in Sinkiang made by prejudicial reports which appear in the papers, a number of prominent Sinkiang natives resident in Nanking will write a series of articles depicting the true state of affairs in that far-flung province to be published shortly. This decision was made by the Sinkiang residents following the "Shih Chieh Wan Pao" riot case in Peiping, in which the paper, for publishing alleged insulting reports on the women in Sinkiang was wrecked by a group of incensed Mohammedans. Signed by a number of Mohammedan residents in Nanking, a petition was sent to the Central Publicity Committee April 13 asking for due punishment for the writers of all articles recently published speaking ill of the womenfolk in Sinkinga.

SHANSI REDS SUFFER HEAVY CASUALTIES

The total of casualties sustained by Communist bandits since their invasion into Shansi runs up to 11,000 including 4,000 killed and 7,000 wounded during engagements with government troops, according to an estimate recently made by the Shansi military authorities.

Districts in the vicinity of Fengcheng in western Shansi have been cleared of communist remnants as the result to two victorious encounters scored by the Government forces, according to *Central News* April 12. The first encounter took place on April 9 when the Government forces routed over 3,000 marauders at Yuchi to the north of Fengcheng, killing most of them and scattering the rest. Singfengchuan, near Fengcheng, was the scene of a second bloody battle between the Central forces and the red marauders on April 9. About 60 bandits were slain on that occasion and over 200 wounded.

After holding the town for 6 days, Red troops have been driven off from Linghsiang, situated about 10 miles from Fenlin (Pingyang) across the Fen River on the western side of the Tatung-Puchow railway, according to a *Central News* report from Taiyuan on April 8. Linghsiang fell to the hands of the Reds on April 1 when it was suddenly attacked by 2,000 Red troops. As the city was then defended only by a handful of Pao An Tui men, the Reds entered the town after the defenders put up an unsuccessful resistance.

Attention of the Communist-suppression forces in Shansi has now been shifted mainly to the Yellow River region on the northwestern Shansi-Shensi border, reported *Central News* April 10. The blockade on all rivers near the border is described to be effective as all avenues of communication between the Red remanants of the two provinces have been entirely cut. Meanwhile the anti-Red forces in northern Shensi under Gen. Chang Hsueh-liang, Commander-in-Chief of the Northwestern Anti-Red forces, have been making rapid progress in the Chiutouchen region near the Shansi border. While there has been a lull in the northwestern section, considerable fighting between the Reds and government forces has occurred on the Western front during the last week-end, according to *Central News*. In the West, government troops recaptured Lishih, about 45 miles west of Hsiaoyi, in the morning of April 12 after the city has been besieged by the Communists for over a month. The routed Reds retreated to Chuchiachwang, midway between Lishih and Chungyang, and were being surrounded on four sides by Shansi troops. On Aprile 12. government troops under the command of Tang En-po were engaged in serious fighting with a large detachment of Red remnants under the personal command of Mao Tseh-tung in the region of Shihhouyao and Tuchiayao, north of Tsishan in the Southwestern corner of Shansi. Fighting lasted two full days, and during the period the region changed hands several times. Finally the Reds retreated in a westerly direction. The Reds which participated in the fighting belong to the 81st, 78th, 41st and 83rd divisions of the Communist Army. During the fighting over 600 Reds were reported to have been killed and a larger number of others captured. Government troops have suffered heavy casualties.

Shanghai Mainichi reported April 11 thatt elegrams have been sent by General Chiang Kai-shek to Generals Yen Hsi-shan, Han Fu-chu, and Sung Cheh-yuan, to the effect that a conference will be held in either Hankow, Sian, or Taiyuan, to discuss the policies to be taken towards Japan and the Communists. Taking advantage of the Communist advance in Shansi, General Chiang is adopting every measure to assume his control over North China.

'SHANGHAI NIPPO' ON POWER OF GEN. CHIANG KAI-SHEK

In an editorial commenting on the increase of Gen. Chiang Kai-shek's control over Shansi, and the expansion and consolidation of his power, the *Shanghai Nippo* emphasizes that the organization of the Pacification Headquarters in Shansi and Suiyuan, the creation of the Kuomintang office in the province, and the entering of the Central troops, have considerably affected his regime in North China. "This step constitutes a menace to the regime of General Sung Cheh-yuan," the paper writes. "As a matter of fact, the Central authorities are utilizing Shansi as a center for the consolidation of anti-Japanese activities of various organizations in the region. The Central Government is also vitally concerned with the situation in Shantung, where General Han Fu-chu reigns. Measures will be taken by Nanking to assume control over the province of Shantung, despite the differences of geographic and political conditions, as well as the difference between the characters of General Yen Hsi-shan and General Han Fu-chu. General Chiang-Kai-shek, who is an experienced politician, is distinguished for his tactics of overcoming other warlords."

The reports that Gen. Yen Hsi-shan, Pacification Comissioner of Shansi, was coming to Nanking from Taiyuan shortly to discuss with the Central authorities on the Communist situation in Shansi, have been denied by Chao Pi-lien, resident representative of Gen. Yen, in the Captial.

STRENGTH AND POSITIONS OF COMMUNISTS IN SHANSI

According to *Shanghai Nippo* The positions of the Red Armies are as follows:

1,200 Communists at Fuku (on the bank of Yellow River)
4,000 Communists at Szechen (South Shansi)
3,000 Communists at Fengchen (South Shansi)
500 Communists at Fushan (Northeast of Szechen)
500 Communists at Chaochen (South Shansi)
7,000 Communists at Yunho (West Shansi)
500 Communists at Heiyushan

The positions of the Government forces are:

Shansi troops:

1st Column (3 brigades of the 69th Division) in the area south of Tsihsien,
2nd Column (the 66th Division) in the region of Pinyao.
3rd Column (1 brigade of the 68 Division, 1 brigade of the 32nd Division and the 2nd. independent brigade in the distriet of Fenyang.)
4th Column (1 brigade of the 71st, 72nd and 101st Divisions respectively) in the region of Shanchoachen.

Central Government Troops:

Troops under the command of General Shang Chenin the south of Taiyuan.

Troops under the command of Wang Ching-kuo in the west of Taiyuan.

Shanghai Nichinichi reported April 7, that an agreement has been reached between the Shansi troops and the Communists to the effect that the latter will not continue their invasion of Shansi province. It is further provided that the Shansi troops will not interfere with the Communist activities, when the Communists move into Hopei and Suiyuan. About 2,000 Communists under the command of Hsu' Hai-tung have returned to Shensi from Luanhsien in North Shansi and will join force with the Communists under of Liu Tse-tan. The Communists in south Shansi are marching eastward to the south of Hopei and the north of Hopan provinces. They are organizing the local bandits of Tangying and Neihwang to cause disturbances in the area.

GENERAL HO YING CHIN REMAINS IN NANKING

Shanghai Mainichi reported April 11 that preparations are being made by the authorities in Taiyuan for welcoming the arrival of General Ho Ying-chin, who will be appointed Chairman of the Headquarters of General Chiang Kai-shek in Shansi and Suiyuan. About seventy members of the staff under Liu Yao-yang, the Chief of the General Staff at Wuchang, are expected to arrive at Taiyuan shortly. Liu will be appointed Chief of the General Staff of the Taiyuan headquarters. General Chen Cheng, who was sent by the Central Government to the province sometime ago, has been appointed General Field Commander of the Government troops against the Communists in Shansi.

The report which was circulated in the Japanese press to the effect that General Ho Ying-chin, Minister of War, has gone to Taiyuan in view of the serious condition in Shansi is entirely unfounded. General Ho has never left the Capital recently, according to *Shun Pao*.

Col. Imai, Assistant Japanese Military attache, visited Taiyuan on April 9 to investigate red situation in Shansi. He returned to Peiping the following day.

The main body of the Communists have retreated from Shansi to Shensi, reported Considerable losses have been suffered from th Communist advance in the province by the people and the authorities of Shansi. Eight divisions, or some 100,000 of the Central troops have assumed control of the whole province.

An emergency decree was issued by the Central Bureau of the Communist Party to the Reds in Shansi on March 26, saying that the latter should be sent immediately to Hopei, Suiyuan and Chahar, in order to disorganize the security and peace in the three provinces, reported *Shanghai Nichinichi*, April 9.

In view of repeated rumours that red marauders in Shansi are planning to penetrate into Suiyuan province, the provincial authorities are busily making arrangements for strengthening the defense of places along the Suiyuan-Shansi border. Prince Pan, Vice-chairman of the Suiyuan Mongolian Political Council, who has just returned to Peiping from Nanking, has decided to assume his

concurrent post as bandit suppression commander of Mongolian Leagues and Banners in Suiyuan immediately upon his return to Kweisui. The Central Government is understood to have promised an appropriation of $200,000 to meet the military expenses of Suiyuan Council.

Shanghai Nichinichi reported on April 12 that during this month four brigades of Yunnan provincial troops at Chuanyi and Chuchin have been crushed by the Communists under the command of Ho Lung and Hsiao Keh. The latter have subsequently occupied the districts of Malung and Hsuntien. Part of the Communists are reported to have arrived in the regions of Lochin and Wuting, one hundred *li* from Kunming, thus menacing the capital of the Yunnan province. Government troops have been concentrated at Kunming to defend the city from a possible invasion by the Reds.

FUMIN IN YUNNAN OCCUPLED BY REDS RECOVERED

Districts in the immediate neighborhood of Kunming have been cleared of Communist bandits after successful opecations carried on by government troops, according to *Central News*. Reconnaissance flights by government planes made on April 11 revealed that the Reds had crossed the Putu river and later reports state that they have entered the city of Fumin, which is about 20 miles northwest of Kunming. Two divisions of government troops have been rushed to Fumin to relieve the city.

After a brief occupation the Communist forces evacuated Fumin April 13 in face of strong military pressure brought to bear on them by government troops. Scouting planes have brought back the information that the Reds were retreating towards Lotse, a town about 12 miles further west of Fumin. Meanwhile the Yunnan Communist Suppression Headquarters, by orders of Generalissimo Chiang Kai-shek, are offering big cash rewards for the capture or killing of Red army leaders, as follows : Capture of Ho Lung or Hsiao Ke $80,000, killing $50,000 ; capture of committee member of the Chinese Soviet regime or divisional commander $10,000 ; capture of regimental commander $2,000.

According to reports received at Chungking April 8, the city of Oumai along the Szechuan and Yunnan border is now being surrounded by more than 3,000 tribesmen. Two brigades of government troops have been rushed to the district to cope with the tribesmen.

Accused of negligence in defending the city of Pichieh, Northwestern Kweichow, against the invasion of the "Reds" under Ho Lung and Hsiao Ko, and also of corruption, Mo Hsiung, Special Administrative Commissioner for the Pichieh Area, has been arrested by order of the Provisional Headquarters of the President of the Military Affairs Commission. He has been brought to Chungking on board the C.N.A.C. plane from Kweiyang, provincial capital of Kweichow, to face trial.

GENERAL CHIANG KAI-SHEK INSPECTS CONDITIONS ON UPPER YANGTSZE

Gen. Chiang Kai-shek, President of the Executive Yuan, arrived at Hankow from Nanking aboard the gunboat *Yat-sen*, on April 10. Shortly ofter arrival, the Generalissimo received Gen. Ho Cheng-chun, Pacification Commissioner, and, Gen. Yang Yung-tai, Chairman of Hupeh. General Chiang on April 11 officiated at the opening exercises of the Wu-han Branch of the Central Military Academy at Nanhu, near Wuchang. In an address extending over an hour, General Chiang ranged over the duties and responsibilities expected of the cadets. After the ceremony, General Chiang inspected the new roads in the vicinity of Wuchang and gave directions regarding the civil administration of the province. General Chiang left Hankow by air for Ichang in the afternoon of April 12. From Ichang, the Generalissimo will proceed to Chungking and, later, to Chengtu. General Chiang's visit to Chengtu is stated to be connected with the opening of the new term of the military college there.

Wang Ching-wei, chairman of the Central Political Council and formerly president of the Executive Yuan, is now recuperating in Baudanheim, a "hot spring" resort in Germany, according to information received by the Waichiaopu from the Chinese Embassy in Berlin. With regular electrical treatment of his wounds and hot spring bath, the message states, Mr. Wang's condition is gradually improving. At present he is able to take walk for an hour daily. After staying three weeks at Eaudanheim, Mr. Wang will proceed to Berlin where he will consult medical experts about advisability of having the bullet in his back extracted.

Dr. W. W. Yen, Chinese Ambassador to Soviet Russia, who originally planned to return to China in mid-March, has now decided to take a trip to Switzerland or Austria before coming home, according to information from the Ministry of Foreign Affairs. Definite date of his return to China at present has not yet been decided.

Dr. Wang Chung-hui will come to Nanking again next week to confer with the Central authorities regarding the establishment of closer cooperation between Canton and Nanking. Dr. Wang will proceed to Canton together with Hsu Chung-chi, Vice-President of the Control Yuan, by the end of this month.

A further step towards the cooperation between Nanking and the Southwest, has been made by the recent conference at Hu Han-min's new residence in Shanghai of three Government leaders, including Sun Fo, President of the Legislative Yuan, Yih Chutsang, Vice-President of the same Yuan, and Tai Chi-tao, President of the Examination Yuan, with Dr. Wang Chung-hui. Dr. Wang reported to the leaders of the Nanking, the views of the Southwest about the constitution. It is expected that an improvement will be made in the cooperation between Nanking and Canton during the forthcoming introduction of the constitution.

CHIANG KWANG-NAI BECOMES MONK IN KWANGTUNG TEMPLE

General Chiang Kwang-nai, one-time field-commander of the famous 19th Route Army, who directed the operations against the Japanese land, sea and air forces during the Shanghai War in 1932 at Chapei, has become a monk in the Pai Keh Kwan Temple at Lofau Mountain in Kwangtung Province, according to the *Ta Kung Pao*. This journal states that following the abortive Fukien rebellion, in which General Chiang, then Chairman of the Province, took part with Generals Chen Ming-shu and Li Chai-sen, General Chiang became ill and was forced to retire to his home in Tungkuan village, Kwangtung Province. He has made several visits to Lofau Mountain, where he become acquanited with the chief priest of the temple. After many long discussions on philosophy and life, General Chiang decided to give up his profession and become a monk. He shaved his head last month and is now one of the monks among the temple brothers.

Current reports that the British troops have occupied Chingma in second district of Lantsang in Yunnan near the Burma-Yunnan border and that they have erected a military radio station and made other military preparations there were untrue, according to a telegram received by the Ministry of Foreign Affairs from the Chinese members of the Joint Boundary Commission now investigating on the Burma-Yunnan border. The telegram stated that only slight misunderstanding has arisen between the British Surveying corps of the boundary commission and the people at Lantsang, but the matter was later amicably settled.

A decision was reached at the Southwestern Political Council at Canton, April 4 regarding the recent dispute along the Kwangsi-Kwangtung border, arising from the control of the border town Suanmochu. It was agreed by General Li Tsun-jen, Kwangsi leader, and Li Yung-hai, Kwangtung chairman, that neither the Kwangsi militia corps nor the Kwangtung police will be alllowed to be stationed in the border town, which will be demilitarized.

Despite the efforts of the Southwestern Political Council to effect an amicable settlement, a fierce clash between the Kwangsi militia units and the Kwangtung police was renewed on April 4 along the border : Fighting was proceeding in the discricts of Fongchuan and Changwu. In view of the seriousness of the clash, the Southwestern Political Council has sent another envoy to that district in an effort to effect a compromise between the two parties.

CHINA'S DRAFT CONSTITUTION TO BE PUBLISHED MAY 5

The Draft Constitution of the Republic of China, which is now being examined by a special committee of the Central Executive Committee, will be formally promulgated on May 5, as previously decided upon by the 5th Kuomintang Congress, according to Fu Ping-chang, Chairman of the Foreign Relations Committee of the Legislative Yuan. One of the new features in the revised draft organic law, said Mr. Fu, is that the President of the Republic will be vested with the power to proclaim the state of emergency.

Central News learned that some changes in the Draft Constitution of the Republic of China may be made as a result of a series of informal conferences recently held in Shanghai, Views were understood to have been frankly exchanged in the course of talks held between Sun Fo and Yeh Chu-tsang, President and Vice-President respectively of the Legislative Yuan, and Dr. Wang Chung-hui, until recently Judge on the Permanent Court of International Justice, on the matter of the Constitution. Information gathered from various official sources reveals that opinions have recently been advanced from some quarters on the necessity of inserting certain supplementary clauses into the Draft Consittution.

The Draft Constitution, for example, stipulates that the members of the Legislative Yuan are to be elected by the people, but before the period is ripe for the intelligent exercise by the people of the four powers of suffrage, recall, initiative and referendum, it was pointed out, this specific clause may easily breed corruption. The Draft Constitution, it may be remembered, is to be published in May for open discussion by the people and to be brought up for discussion and approval at the November National People's Congress.

The newly revised and augumented principles relating to the Law governing the Organization of the National People's Congress (*Kuo Min Ta-Hui*), and the law governing the Election of Delegates thereof, were referred to the Legislative Yuan for consideration. The principles provide that the number of delegates to the National People's Congress to remain at 1,200, and distributed as follows :—

Regional	687
Regional	687
Occupational	322
Professional	58
Overseas	40
Mongolian and Tibetan	40
North-eastern	23
Army	30
Total	1,200

Soviets Reject China's Protest Against Mutual Assistance Pact Signed with Outer Mongolia

THE Soviet Government April 9 rejected the protest of the Chinese Government of April 7 against the conclusion of a pact of mutual assistance between the Soviets and Outer Mongolia. In a reply communicated to the Chinese Charge d'Affaires by Maxim Litvinoff, the Soviet Foreign Commissar, the Chinese protest was described as "unfounded." At the same time, the Soviet note expressed deep conviction that the Government of the Chinese Republic will arrive at the conclusion that the protocol does not contradict the Sino-Soviet Agreement signed in Peiping on May 31, 1924, "and is in the interests of the Mongolian as well as the Chinese nation."

The Chinese protest contended that the pact constituted an infringement of Chinese sovereignty and violation of a solemn pledge. It recalled that the Soviet Government unequivocally pledged itself, under Article V of the Sino-Soviet Agreement of May 31, 1924, to recognize Outer Mongolia as an integral part of China and to respect China's sovereignty in the country.

Political quarters in Moscow pointed out that the document itself contains no detailed provisions on the terms of such mutual assistance, but added that the Protocol only aims at reasserting the verbal agreement existing already since 1934. They further say that it is the recent increase in the number of border incidents that caused the Soviets to adopt a definite attitude through signing the pact with Outer Mongolia. It was stressed in Moscow that the Protocol affirms the assistance commitments more definitely than the statement issued in Moscow in January, 1936 by the Ulan Bator Premier and Foreign Minister, Mr. Guendun, who merely said: "We hope that the Soviets will assist Mongolia in the event of an aggression against us."

The *China Times* commented:—"Outer Mongolia is part of China. This is recognized by all the powers including the USSR as provided by the Soviet-Chinese Agreement of 1924. Therefore, Outer Mongolia has no right to conclude an agreement with any foreign country. The USSR should not conclude any agreement with Outer Mongolia, which is part of China, according to international law. With the Soviet-Chinese Agreement of 1924 remaining valid, the Soviet-Mongolian Protocol of mutual assistance becomes automatically invalid. There is no room for the existence of a Soviet-Mongolian Protocol."

After studying the text of the Soviet-Outer Mongolian mutual assistance pact, official circles in Tokyo declared April 8 that the agreement "solidifies Soviet military control" over the latter country. Officials alleged that Article 1 of the pact, which provides for joint steps to protect the borders of the signatories, "exposes Moscow's aggressive intentions," as it deals with situations preceding an actual attack by the imaginary foe. The agreement, the official concluded, violates China's sovereignty over Outer Mongolia, and also forces Japan and Manchukuo, "both of which are menaced by the pact," to take "adequate protective steps."

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TEXT OF THE SECOND CHINESE PROTEST

Published before the text of the first protest

Reiterating its stand concerning the Protocol of Mutual Assistance between the Soviet Union and Outer Mongolia, the Ministry of Foreign Affairs April 11 sent a second note of protest, signed by Chang Chun, Minister of Foreign Affairs to the Soviet Ambassador, which read as follows:—

"With reference to the signing of the Protocol of Mutual Assistance between the Governments of the U.S.S.R. and Outer Mongolia, I had the honor to address to Your Excellency on the 7th of April a Note of Protest stating that the signing of the Protocol constituted an infringement of the sovereignty of China and a breach of the Sino-Soviet Agreement of 1924, and that the Chinese Government could under no circumstances recognize such a Protocol.

"On the 9th of April I received from Your Excellency a copy of the Note addressed to the Chinese Charge d'Affaires at Moscow by the Soviet Commissar of Foreign Affairs, in reply to the above-stated protest. The Note declared that the Soviet Government confirms once more that "the above-mentioned Agreement (Sino-Soviet Agreement of 1924), as far as the U.S.S.R. is concerned, remains in force in future."

"I have taken cognizance of the pledge thus again given by the Government of the U.S.S.R. that it recognized Outer Mongolia as an integral part of the Republic of China and respects China's sovereignty therein.

"I am however obliged to consider as without ground the explanations given by the Soviet Government in regard to the signing of the Protocol by U.S.S.R. with Outer Mongolia. Particularly, the Soviet-Mukden Agreement, signed at Mukden in 1924, which is cited in the Note under reply, cannot be regarded as a precedent for the present Protocol.

"The contention in the Soviet Note that the signing of the Mukden-Soviet Agreement did not elicit a protest from the Chinese Government is quite contrary to the facts. It has to be recalled that before the said Agreement was submitted by the Local Authorities to the Central Government and subsequently approved by the latter as an Annex to the Sino-Soviet Agreement, the Ministry of Foreign Affairs at Peiping (then Peking) repeatedly made protests to the then Soviet Ambassador to China, on September 25th and October 11th, 1924, respectively; and the Chinese diplomatic representative at Moscow also lodged protests with the Soviet Government. It was not until the said Agreement had been approved by the Central Government and all legal procedure had been complied with that a Notification was sent to the Soviet Government, in March, 1925, to the effect that the Mukden-Soviet Agreement was to be considered an Annex to the Sino-Soviet Agreement of 1924.

Thus the signing of the Mukden-Soviet Agreement, which was originally an illegal act on the part of the Soviet Government, an act contrary to international practice, was only rectified subsequently by the Chinese Government. In no sense can it be referred to as a precedent for the Government of U.S.S.R. to enter into any agreement with Chinese Local Authorities.

"Inasmuch as the present Protocol signed by the Government of U.S.S.R. with Outer Mongolia constitutes an infringement of China's sovereignty and is in complete contradiction to the Sino-Soviet Agreement of 1924, the Chinese Government has to renew its protest in respect of the Protocol and to reiterate its stand in that regard as enunciated in its last Note of Protest on the same subject."

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Text of First Protest by China

The first Note of Protest dated April 7 was as follows:

"On the 2nd inst. I had the honor to receive from Your Excellency in person a copy of a document purporting to be a Protocol signed between the Government of the U.S.S.R. and Outer Mongolia.

"It has been recalled that Article V. of the Agreement on the general principles for the settlement of questions between the Republic of China and the Union of Soviet Socialist Republics signed on May 31, 1924 provides:

> 'The Government of the Union of Soviet Socialist Republics recognizes that Outer Mongolia is an integral part of the Republic of China and respects China's sovereignty therein.

"Outer Mongolia being an integral part of the Republic of China, no Foreign State has the right to conclude with it any treaty or agreement. The action on the part of the Government of the Soviet Union in concluding with Outer Mongolia the aforesaid Protocol, in breach of its pledge to the Chinese Government, constitutes without doubt an infringement of the sovereignty of China and a violation of the stipulations of the Sino-Soviet Agreement of 1924.

"I am therefore obliged to lodge a strong protest with Your Excellency and to state that the conclusion of the Protocol in question by the Government of the U.S.S.R. with Outer Mongolia is illegal and that the Chinese Government can under no circumstances recognize such a protocol and is in no wise bound by it.

"I have to request Your Excellency to transmit the above to Your Excellency's Government for a satisfactory reply.

I avail myself, etc. (Signed) Chang Chun, Minister for Foreign Affairs."

SOVIET GOVERNMENT'S REPLY TO CHINA'S FIRST NOTE OF PROTEST

The following translation of the Soviet reply signed by M. Litvinow, to China's first note of protest, was circulated by the Tass News Agency. No reply has yet been received to the second protest.

"On April 7, you, on the instruction of your Government, presented me with a copy of the note which on the same day was handed to the U.S.S.R. Ambassador to China, Mr. Bogomolov. This note was based on the fact that the signing of a protocol between the Governments of the U.S.S.R., and the Mongolian People's Republic on March 12, 1936, allegedly represents a violation of the sovereignty of China and contradicts the Sino-Soviet Agreement of May 31, 1924, as the result of which the Nanking Government finds it possible to declare a protest.

"In reply to the above mentioned note I have the honor to state the following: The Soviet Government cannot agree with the interpretation of the Soviet-Mongolian protocol contained in the note of the Chinese Government, and cannot therefore recognize as well founded the protest declared by the Chinese Government.

"Neither the fact of the signing of the protocol, nor its separate clauses, violate in the least measure the sovereignty of China and admit of or contain any sort of territorial claims of the U.S.S.R. in regard to China or the Mongolian People's Republic.

"The signing of the protocol does not introduce any changes into the formal as well as factual relations between the U.S.S.R. and China and between the U.S.S.R. and the Mongolian People's Republic, which have existed up to now. When signing the protocol of mutual assistance, the U.S.S.R. proceeded from the fact that the Soviet-Chinese agreement concluded at Peking in 1924, was in no way prejudiced and remains in force.

"The Soviet Government herewith again confirms that the above mentioned agreement, inasmuch as it concerns the U.S.S.R., remains in force also in the future.

"Regarding the question of the formal right of concluding an agreement with autonomous parts of the Chinese Republic, it will suffice to recall the agreement concluded in Mukden on the 20th September, 1924, between the Soviet Government and the Government of the Three Eastern Provinces, which act did not arouse any protests from the Government of the Chinese Republic. Moreover, the latter recognized even the above mentioned Mukden agreement as having full force equally with the Peking agreement.

"At the same time it should be noted that the Soviet-Mongolian People's Republic agreement is not directed against the interests of third countries, inasmuch as it comes into force only in case the U.S.S.R. or the Mongolian People's Republic become victims of aggression and are forced to defend their own territories

"On the basis of all the above mentioned, the Soviet Government considers itself forced to reject the protest of the Chinese Government as unfounded, and at the same time expresses deep assurance that the Government of the Chinese Republic will arrive at a conviction that the Soviet-Mongolian People's Republic protocol does not contradict the Peking agreement, and responds to the interests of the Mongolian, as well as the Chinese nations."

Full Text of Mutual Assistance Pact Between U.S.S.R. and Mongolia

The text of the Pact of Mutual Assistance between the U.S.S.R. and the Mongolian People's Republic signed on March 12, at Ulan-Bator by the Plenipotentiary Representative of the U.S.S.R., Tairov on one side, and the Chairman of the Small Khural of the Mongolian People's Republic, Mr. Amor, and Premier and Foreign Minister of the Mongolian People's Republic, Mr. Guendun, on the other side, as circulated by Tass, is as follows:

"The Governments of the U.S.S.R. and of the Mongolian People's Republic, following relations of invariable friendship existing between their countries since the liberation of the territory of the Mongolian People's Republic in 1921, with the assistance of the Red Army, from White Guards detachments, connected with military forces which invaded the territory of the U.S.S.R., and guided by the desire to support the cause of peace in the Far East and to promote further a consolidation of the friendly relations is now existing between them, have decided to formulate in the shape of the present protocol a gentlemen's agreement which has existed between them since 27th November, 1934, providing for mutual assistance by all means in the matter of averting and preventing the menace of military attack and also rendering to each other aid and assistance in case of attack by any third state upon the U.S.S.R. or Mongolian People's Republic, for which purpose we have signed this protocol.

"Art. I.—In event of the menace of attack upon the territory of the U.S.S.R. or of the Mongolian People's Republic on the part of a third state or government, the U.S.S.R. and the Mongolian People's Republic undertake immediately to consider jointly the situation that has arisen and to take all measures which could be necessary for the protection and security of their respective territories.

"Art. 2.—The Governments of the U.S.S.R. and of the Mongolian People's Republic undertake, in the event of military attack upon one of the contracting parties, to render each other every assistance, including military.

"Art. 3.—The Governments of the U.S.S.R. the of the Mongolian People's Republic consider it selfunderstood that the troops of one of the parties stationed by mutual agreement in the territory of the other party, by way of fulfilment of the obligations set forth in articles one or two, will be withdrawn from the territory concerned immediately when the necessity for it ceases—similarly to what took place during 1925, with regard to the withdrawal of Soviet troops from the territory of the Mongolian People's Republic.

"Art. 4.—This protocol is drawn up with two copies in the Russian and the Mongolian languages and both texts are equally valid.

"This protocol shall become effective from the moment of its signature and will remain in force during ten years from that moment."

COMMENTS BY SOVIET PRESS

Moscow *Pravda* commented: "It is not difficult to establish that the arguments of the Chinese Government are unfounded. The facts cited note that the Soviet Government has established with exhaustive clarity the following three circumstances: Firstly: the U.S.S.R. has no territorial claims with regard to China or the Mongolian People's Republic. Secondly: The protocol of March 12, pursues only one aim which is the consolidation of the defence of both countries against any aggression by a third country, and finally—thirdly: that the Soviet Union, as previously, considers that the Peking treaty remains in force."

Moscow *Izvestia*, in the course of its comments, said:—"The great revolutionary, Dr. Sun Yat-sen, who fought his whole life for the freedom of the Chinese people, fully realized the entire importance and the indispensability of the assistance of the U.S.S.R. in the matter of defence of the inviolability and integrity of Outer Mongolia for preventing its transformation into a base for attacks against the U.S.S.R. and China.

"In the joint communique with the representative of the U.S.S.R. to China, during January, 1923, Dr. Sun Yat-sen pointed out that 'an immediate evacuation of Russian troops from Outer Mongolia is neither imperative, nor in the real interests of China; more so on account of the inability of the present Peking Government to prevent such an evacuation from being followed by a recrudescence of intrigues and hostilities by the White-guards against Russia and the creation of a graver situation than that which now exists'.

"The indisputable interest of the Soviet Union in ensuring the security of the frontiers of Outer Mongolia, which presents a primary importance for safety not only of the Soviet Union, but of China also, and the natural obligation of the Chinese Government to forbid the transformation of Outer Mongolia into a base for hostile attacks against the U.S.S.R., found their expression also in the Peking Agreement, the fifth clause, of which states that the Government of the U.S.S.R. recognizes that Outer Mongolia is a component part of the Chinese Republic and respects China's sovereignty there.

"At the same time the said clause provides that the Soviet Union evacuates its troops from Outer Mongolia after questions 'recalling all troops of the U.S.S.R. from Outer Mongolia, namely regarding the time limit in recalling these troops and the measures to be taken in the interests of security of the frontiers are agreed upon at a conference'.

"It follows with full clarity from this clause that the Chinese Government also recognized the right of the U.S.S.R. on definite occasions to adopt measures such as introducing troops into the Mongolian People's Republic with the object of defence for her frontiers. It is true that these measures should have been elaborated long ago by the Soviet-Chinese conference stipulated in the Peking Agreement. It was not called, however, not through any fault of the U.S.S.R., but its convocation was handicapped by generals, wars in China, and the unstable position of the Chinese Government."

Japanese Lieutenant and Two Privates Killed in Border Clash—Soviets Hand Over Bodies

A Japanese lieutenant was killed, while five soldiers are missing as a result of a clash at noon April 9 between a Japanese patrol and 14 Soviet soldiers, according to a despatch received in Changchun April 10. It was alleged that the clash occurred in Manchukuo territory east of Suifenho. The Kwantung Army authorities are reported to be greatly incensed over the incident.

According to an official announcement from Harbin, the clash occurred at a point slightly east of Pogranitchnaya, 14 Soviet soldiers opening fire on a patrol of one Japanese officer and four troops. The announcement added that the officer was killed.

Protests were filed in Moscow by Ambassador Ohta and in Harbin by Consul General Sato.

The Manchukuo government April 17 also filed a note of protest with the Soviet Consulate-General in Harbin.

Return of the bodies of Lieut. Kawaguchi and two privates, slain in the clash with Soviet troops east of Suifenho, was requested April 11 by Yoshio Okitsu, Consul in the border town, during

(*Continued on page 242*)

Nearly Half of Japan's Two-Billion-Plus Budget Allotted to Fighting Services

The Tokyo Cabinet April 10 approved of the 1936-37 working budget, totalling Yen 2,309,910,000, representing an increase of Yen 31,780,000 over the budget prepared by the late Korekiyo Takahashi, Minister of Finance. The last budget failed to become operative because of the dissolution of the 68th session of the Diet. The 1936-37 budget does not include additional estimates for expenditures totalling Yen 362,510,000, which will be submitted for approval to the 69th extraordinary session of the Diet, opening on May 1. A total of Yen 783,970,000 worth of "red ink" bonds will be issued in the fiscal year to cover the budgetary deficit, or Yen 45,681,000 less than in the fiscal year which ended on Mar. 31.

Nearly half of the Budget has been alloted to the fighting services, the appropriation for the Navy totalling Yen 552,000,000 and that for the Army Yen 508,000,000.

Most of the increase, however, goes to the Home Ministry for agrarian relief.

The Budget provides for the following appropriations.

Imperial Household	Yen 4,500,000
Ministry of Foreign Affairs	31,000,000
Ministry of Finance	495,000,000
Ministry of War	508,000,000
Ministry of Navy	552,000,000
Ministry of Commerce and Industry	18,000,000
Ministry of Justice	39,000,000
Ministry of Education	142,000,000
Ministry of Agriculture	94,000,000
Ministry of Communications	196,000,000
Overseas Affairs Ministry	19,000,000
Home Ministry	206,000,000

Hirota to Stress Need for Stronger Defences

Strengthening of Japan's national defences, to parallel the inauguration of "independent and positive" diplomacy, will form the main theme of Premier Koki Hirota's address at the opening session of the 69th extraordinary session of the Diet, opening on May 1 Tokyo. The draft speech is now being prepared. Mr. Hirota will also urge all parties, officials and military circles to join in "eliminating the evils of the past", so as to inaugurate "fixed national policies," which would cope with the crisis precipitated by the mutiny of Feb. 26. The address will also call for the eradication of "thought incompatible with national polity", and the preservation of "the dignity of the Japanese Constitution". The intention of the Japanese Government to "materialize prosperity of Oriental nations" and to consolidate Nippon's position as the stabilizing force in the Orient will also be emphasized by the Premier, *Domei* further learned. The necessity of reforms in the administrative, financial and economic organizations of the state, to "raise the nation's standard of living and to stabilize the taxation and monetary systems" will also be stressed.

Japan's National Debt Reaching Ten Billion

Nippon's national debt will soon exceed the ten-billion mark the Ministry of Finance revealed in Tokyo, April 8. The nation's total indebtedness at the end of March amounted to Yen 9, 854,300,000, representing a gain of Yen 763,846,000 in comparison with the figure for the corresponding date of 1935.

Japanese Army Officers Told to "Lay Off" Politics

Japanese Army officers were told April 8 to "lay off" politics or be dropped from the service. In a strongly-worded addres, before the assembled commanders of all divisions in Japan proper and representatives of the Korean, Formosan, and Kwantung Armiest Gen. Count Hisaichi Terauchi, Minister of War, warned against activities detrimental to the maintenance of discipline in the Army. "Not only political activities of individual officers conflict with their duties," he is reported to have said, according to a resume of his address released at noon by the War Office," but they are more likely to prevent the attainment of these very cherished ideals. The wishes of the Army regarding national administration become important only when the Army is impressingly immovable and when the people place their trust in this strength. I wish that this be firmly engraved in your minds, "he is quoted as having added.

Expressing his "everlasting regret" at the rebellion of Feb. 26, which he described as "the most unfortunate incident in the annals of the national army, which leave "a dark blot on our brilliant national history that will never be erased," Gen. Terauchi is said to have demanded for a "complete change of heart to restore the Army to its former brilliance."

"Army discipline is the very life artery of the Service," he is said to have continued. "It should be as intense and as strong as the burning sun and the autumnal frost."

General Terauchi also warned against activities detrimental to the maintenance of discipline in the Army. The War Minister informed the conferees that he was "the sole officer in the whole Army who is permitted to take steps for the realization" of the Army purge, national administrative reforms and increases in armaments.

Citing the murder of Lieut.-Gen. Tetsuzan Nagata, director of the Military Affairs Bureau of the War Office, by Lieut.-Col. Saburo Aizawa, an infantry officer, on Aug. 12 last year, and the recent insurrection as two instances of flagrant violations of this discipline, Gen. Terauchi was quoted in the War Office communique as having demanded a thorough tightening of military rules and regulations.

The nation's highest military field officers April 8 and 9 received instructions dealing with the projected purge in Army ranks, the strengthening of discipline and realization of spiritual unity in the Army.

Japan Press Hails Army Purge Determination

Tokyo's press editorially hailed the determination of Gen. Count Hisaichi Terauchi, Minister of War, to purge the Japanese army of recalcitrant elements in enfotcing stricter discipline throogh the ranks of the service. National support will be given the War MInister in his efforts, the *Chugi Shogyo*, leading commercial daily closely affiliated to the Mitsui interests, declared in commenting on the address made by Gen. Terauchi before army and divisional commanders last week.

Terauchi to Describe Mutiny and Ask For Reforms

If interpellated at the forthcoming extraordinary session of the Diet, Gen. Terauchi, War Minister, will describe the mutiny of Feb. 26 and call for thorough reforms in national policies.

Spokesmam Clarifies Japan's Stand on Naval "Disarmament"

"Japan's naval position is well known to the signatories of the new naval pact and there is no prospect of change in her attitude," a spokesman of the Tokyo Foreign Office, April 13 who revealed that the Japanese Government had at that time not yet officially replied to the British request for adherence to the new treaty." Commenting on the protocol embodying part four of the London Naval Treaty which restricts submarine warfare, diplomatic circles revealed that the signatories of the new pact have complied with Japan's request for changing the protocol into a verbal agreement, thus sparing the Nipponese Government the necessity of submitting it to the Privy Council.

New Aizawa Trial to Begin April 20

The new trial of Lieut.-Col. Saburo Aizawa, charged with assassinating Lieut.-Gen. Tetsuzan Nagata, Director of the War Ministry's Military Affairs Bureau, on Aug. 12 last, will open on or about April 20. The first trial was voided by the mutiny of Feb. 26, which necessitated its suspension for a period exceeding 15 days allowed under the terms of the court martial law. Maj.-Gen. Shoichi Naito, Commander of the Second Cavalry, has been appointed chief judge of the court martial, in succession to Maj.-Gen. Shozaburo Sato, who was placed on the waiting list. In view of of his responsibility for the uprising, Dr. Somei Uzawa, one of Nippon's outstanding attorneys, whose brilliant defense of Lieut.-Col. Aizawa has for weeks kept the trial on the nation's front pages, has announced his inability to take part in the new trial, "because of ill health."

Lieut.-Col. Sakichi Mitsui, a personal friend and a special counsel for the defendant, has also revealed that he would be enable to continue in his task. This will necessitate the selection of new counsel for defense. In his testimony at the first trial, Lieut.-Col. Aizawa said that he killed Lieut.-Gen. Nagata, believing him to be conspiring with "the elder statesmen and the financial clique" to seize control of the Army.

Local Governments Get Reform Subsidy

Thorough reforms in the financial system of local governmental units, sought for many years, received their first boost in the approval by the Cabinet April 10 of a subsidy of Yen 20,060,000 in the next year's budget to towns and villages carrying out the desired changes. The figure nearly equals the amount provided in the budget prepared by the late Finance Minister Korekiyo Takehashi, which failed of passage by the adjournment of the Diet a few hours after it was convened on Jan. 21.

Arita to Restore Gaimusho Bureau

In a step to unify and co-ordinate Nippon's diplomatic policies, Mr. Arita, the new Foreign Minister, has decided to revive the defunct Political Affairs Bureau. His action will bring to eight the number of bureaus in the Foreign Office, which at present includes the bureaus of of Eurasian Affairs, East Asian Affairs, American Affairs, Intelligence, Commercial Affairs, Treaties, Research and Cultural Affairs.

Mr. Hirota based his decision on the need of readjusting various Governmental organizations in keeping with his pledge to the nation, given at the time of the formation of the new Cabinet, to carry out basic reforms in the Administraion of the country.

"Brain Trust" Adjunct to be Expanded

Reorganization and expansion of the Cabinet Bureau of Investigation, simultaneously with the abolition of the National Policy Council, better known as Nippon's "brain trust", was decided upon by the Cabinet April 11. The Bureau will be placed directly under the Cabinet, and will become the Government's "Genral Staff" in framing national policies.

Suzuki May Sit in Diet as Police Arrest Yamamoto

Dr. Kisaburo Suzuki, president of the Selyukai party who was defeated in the elections of Feb. 20, may regain his Diet seat. This development followed the arrest April 11 of Masaharu Yamamoto, a lawyer, who managed the campaign of Mr. Kawaguchi, another Seiyukai member, who was elected at the expense of the party leader.

Japan to Safeguard Interests in Ethiopia

Japan's concern in safeguarding her commercial and economic interests in Ethiopia was emphasized by a spokesman of the Foreign Office in Tokyo Apr. 13. He added that Japan would act independently regarding the reported Italian project to establish a "puppet regime" in Ethiopia.

Japan Gives Yen 210,000 to Slain Policemen's Fund

Japan has contributed Yen 210,000 to the fund to be distributed among the families of the five policemen, slain while defending leading statesmen's residences from mutinous troops on Feb. 26, the Metropolitan Police Board announced April 11.

Suzuki Resumes Duties; Slug Still Embedded

Still carrying one bullet, of the many that were fired at him by rebellious troops in the coup of Feb. 26, embedded in his back, Admiral Suzuki, Grand Chamberlain, resumed his duties at the Palace in Tokyo, April 13.

Emperor Receives Gen. Minami and Five Other Generals

Gen. Minami, former Commander-in-Chief of the Kwantung Army and Ambassador to Manchukuo, and five lieutenant-generals who have just returned from North China and Manchukuo were the guests of the Emperor at a court luncheon in Tokyo, April 13. The officers included Lieut.-Toshizo Nishio, the newly appointed Assistant Chief of the Army General Staff, who formerly headed the Kwantung Army's staff; Lieut.-Gen. Yoshijiro Umetsu, the new War Vice-Minister and former commander of the Tientsin Garrison; Lieut. Gen. Tsuneichi Iwakoshi, new Commander of the Tokyo Garrison, who formerly headed the Third Division's forces in Manchukuo; Lieut.-Gen. Toyozo Toyama, and Lieut.-Gen. Kotaro Nakamura.

Japan Trade Advantage in China Commerce Shows Sharp Drop

Japan's favorable balance in her trade with China amounted to only Yen 500,000 by the end of February, a decrease of 90 percent in comparison to the figures for the same period last year, the Bureau of Commercial Affairs of the Foreign Office in Tokyo revealed April 9. Japan sold Yen 35,000,000 worth of goods to Manchukuo during the same month. This was Yen 8,000,000 more than what she bought from her neighbor. However, the total excess of exports to the new Empire over imports from it, for the months of January and February, was reduced to Yen 14,000,000, a 26 percent loss, if compared to the returns for the corresponding period last year.

Japan Cotton Yarn Exports Set Record

With 11,847 bales of cotton yarn exported in March, Japan resumed her place among the world's largest shippers of the product, the Federation of Cotton Spinners' Associations announced in Osaka, April 11. This was the first time since September 1927 that yarn exports exceeded the 10,000-bale mark. The shipments were mostly for India, the Netherlands East Indies and Egypt, countries where Japanese cotton cloth imports are being faced with increasing difficulties because of tariff and other trade barriers.

Rayon Prices Soar in Osaka Market

Stimulated by a decrease in stocks and the refusal of producers to sell, rayon prices soared to Yen 60.60 for 100 pounds on the Osaka market April 11. The destruction by fire on Mar. 28 of the Yen 5,000,000 Showa Rayon plant at Nishikimura, Fukushima Prefecture, which had a daily production of about 15 tons of rayon fiber a bay, also contributed to the rise in price. The producers' reluctance to sell was attributed in Osaka trading circles to their desire to raise prices in view of the government's efforts towards establishing a control over rayon exports to forestall the imposition of trade barriers against the Japanese product abroad.

Trade Law Extension to Be Sought

A three-month extension of the Trade Safeguarding Law, which expires in April, 1939, will be sought by the Tokyo Government at the extraordinary session of the Diet next month.

Japan's Balance of Trade Remains Unfavorable

Nippon's trade in the first ten days of April resulted in an unfavorable balance of Yen 21,568,000, with the exports totalling Yen 65,708,000 and the imports reaching Yen 87,276,000, the Finance Ministry announced in Tokyo, April 10. The unfavorable balance of trade since the beginning of this year has reached Yen 236,970,000, the statement added. Raw cotton continued to maintain its place at the top of the list of imports, followed far behind by heavy and crude oil and iron. The list of exports was headed by cotton textiles, valued at Yen 13,859,000 raw silk, Yen 6,736,000; rayon textiles, Yen 5,303,000; and silk textiles, Yen 2,178,000.

Soviet Ship Passengers End Enforced Stay

Ending a 22-day enforced stay in Japan, the 348 passengers of the Soviet steamers *Suchan and Dvina* departed from Aomori, April 12 for Vladivostok. They were taken aboard the Soviet vessel *Nikoyan* sent specially from Valdivostok to transport them pending the decision of the Japanese courts regarding the disposal of the two other ships which are charged with having entered a port closed to foreign shipping and a fortified zone without permission. The masters of both steamers are being held without bail on charges filed by both the civil and military authorities. The *Dvina* and *Suchan* were detained on March 21.

Children's Goodwill Mission to China Planned

Exchanges of parties of "child goodwill envoys" with China are being projected by the Educational Affairs Section of Nagasaki City and by the Nagasaki Prefectural authorities. The plans call for a visit by a Japanese group of about 20 boys and girls to Shanghai and Nanking in May. This would be returned by a Chinese delegation to Nagasaki in June.

Mitsui Head to Resign

Seihin Ikeda, managing director and the active head of the Mitsui Gomei Kaisha, the Nipponese "House of Morgan," indicated his decision April 14 to resign because of ill health.

The resignation of other prominent Mitsui officials is also pending. The matter is to be threshed out at a meeting of the company latter part of this week. The resignations are bound up with recent developments in the Japanese political situation, particularly the army mutiny in February.

Japan's Favors Turkey's Action in Asking for Remilitarization of the Dardanelles

Turkey's demand for the remilitarization of the Dardanelles will have the approval of the Japanese Government, a *Domei* messag from Tokyo April 14 stated.

"Patriots" Advise "Tass" Correspondent to Leave Japan

Japanese police authorities April 11 revealed that they had warned Alexei Naghi, staff correspondent in Tokyo of the Soviet *Tass News Agency*, that four members of the ultra-patriotic Kenkokukai would visit him in his office in the *Domei* News Agency building in Tokyo last Wednesday. This statement was made following the receipt in Tokyo of Moscow reports that newspapers there had published dispatches to the effect that "four ruffians" had broken into "the Soviet correspondent's office and in a threatening tone ordered him to leave Japan," on the grounds that he was "an enemy of Japan and gave incorrect information about the country."

The police pointed out that the building was occupied not only by *Tass*, but by *Domei*, the *Associated Press*, *Havas* and *Reuters*, all of them news agencies, and that it would have been impractical to surround the structure to prevent the entry of individuals who were legally on a peaceful errand. Their attitude was that, once warned, Mr. Naghi should have devised his own means to avoid seeing his prospective callers. This, they said, was the practice in the country when members of organizations of that type went to call on important persons or organizations. Only when these "callers" resorted to violence could the police step in, they added. The interview between the Soviet correspondent and the four Kenkokukai members, led by Mr. Akao, reactionary leader, lasted 20 minutes.

Moscow *Izvestia* charged that the police in Tokyo rather encouragsd the actions of "ruffians" styling themselves as a patriotic society. "This attitude towards an Embassy of a foreign state is unprecedented in civilized countries and is thus intentionally supplemented by the unpunished hooliganism of ruffians against our workers in Japan. The Japanese Foreign Ministry cannot but understand the entire inadmissibility of such a situation. It is nevertheless inactive, and this still more confirms that the aggressive military elements apparently can permit themselves, even in such questions, to disregard both the norms commonly accepted in international intercourse and their own Government," *Izvestia* commented.

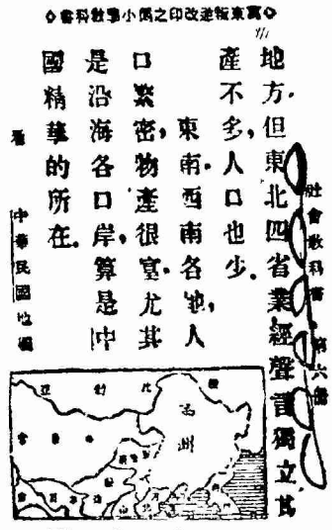
National School Health Conference Opens at Nanking

Despite the fact that the school health movement was launched in China only a few years ago, the health education program has now been carried out in eight provinces and municipalities, and no less than 20,000 students have been benefited by this work, Dr. J. Heng Liu, Director of the National Health Administration, informed the National School Health Conference, which opened at Nanking, April 2 at 9 o'clock. After speeches made by Dr. Wang Shih-chieh, Minister of Education, and Professor Turner, delegates to the conference reported in turn on school health work in their respective areas.

The Revision of School Textbooks in North China

BY C. Y. W. MENG (孟長泳)

IN a series of "demands" to China sometime ago, in addition to the demands for the total suppression of the Chinese "anti-Japanese opinions and activities," throughout China the Japanese militarists were reported to have also demanded the revision of the textbooks now in use in schools in China, to strike out such lessons, passages and chapters on "national humiliations," "May 9th" (when Japan presented the infamous "21-Demands" to China), "Japanese Invasion of the Three North-eastern Provinces," etc., for the Japanese militarists considered them also as anti-Japanese in character. At one time, we heard about the resignation of Dr. Tsai Yuan-pei, China's foremost educationalist, from his post as the Chancellor of Academia Sinica or National Central Academy, but the underlying reason for his resignation, according to report, was caused by the revision of the Chinese textbooks, to which Dr. Tsai could not agree. According to observers, the change of textbooks was also one of the very causes which at last started the student "patriotic movement" in Peiping, which at once spread, like wild fire, to other parts of China. In their "5 demands" presented by the students to the Government, one of them concerned school textbooks.



The above is a facsimile of one page in Vol. 6 of Social textbook which deals with the Chinese geography. It will be noted that on the right side, the first sentence says: "But the Four North-easten Provinces had already declared their Independence ....." These words are marked by circles with the Chinese pen on the right side.

The American faculty members in Peiping are also convinced that shortly there will be a demand for the employment of Japanese faculty members and "advisers," and the control of the curriculum, etc., in accordance with the Japanese program of "Pan-Asianism" and creation of "racial and economic unity among China, Japan and Manchukuo." Dr. J. Leighton Stuart, president of Yenching University, who went to America to organize a special fund-raising committee, and who had just returned to China, said that "to raise money in America now is something extremely difficult to do, first because of the remaining traces of depression; and secondly, because of the fact that Yenching University is considered to be within a "dangerous zone!" In other words, every one—in China as well as in America—is much worried by the future of education in North China!

The Purpose of the Revision—Ruination and Alienation of Chinese National Feeling

As early as the establishment of Yin Yu-keng's "government" or the "Anti-Communist and Self-Autonomous Government" in Eastern Hopei, which is more generally known as the "demilitarized zone," as created by the disgraceful Tangku Agreement on May 31, 1933, the Japanese reports had already told us about the change and revision of the textbooks in use in the primary schools thoroughout the Eastern Hopei. According to the report, Yin Yu-keng's "government" in co-operation with the "Japanese-Manchukuo Cultural Association" (日滿文化協會) in Mukden, is working hard to revise the textbooks with a view to inspiring the children with the "thoughts of Pan-Asianism," to educating the children with the idea of "unity of Asiatic people," based on the teachings of Confucius and Mencius; and to teaching the children the "necessity of readjusting and cementing the relations among China, Japan and Manchukuo." One Japanese "adviser" to Yin's "government" was quoted to having told Japanese pressmen that it would take only two years to effect the reforms in Yin's "government," but it would take 10 years to "change the hearts of the people!" In his opinion the best way to accomplish this end is through education. "So at present we are preparing to revise the textbooks, our purpose being to thoroughly abolish 'The Three Principles of the People' or the Principles of the Nationalist Party in China," continued this adviser. So to revise the textbooks for the use of the Chinese in schools is the first step in the Japanese efforts to "change the heart of the Chinese people."

New Textbooks in Use in Eastern Hopei

The change of the Chinese educational system, the enforcement of the Japanese-inspired education, and the use of newly revised textcooks have already taken place in the Eastern Hopei under Yin's "government." A few copies of the newly edited textbooks have recently come to our knowledge from Tientsin. A perusal of them will reveal to us that there are many changes made. Lessons on the "May 3rd Affair" (Tsinan Tragedy), "May 9th affair" (21 Demands), "National Humiliations," "Promotion of the Uses of the Chinese Native Products," "History of the National Flag," "Dr. Sun Yat-sen's Escape from London," "Chinese Climate," "Chinese Geography," etc., no longer may be read by the children of China! The term—"our country"—is now not allowed to be used. Instead, only "China" is used throughout all textbooks. These lessons tell clearly that the "four North-eastern Provinces are now independent from China." (See the facsimile produced herewith). The newly edited textbooks do not regard Nanking as the Capital of China. Throughout there is no mention about the National Government and the Five Yuan under the National Government. Nor do they tell anything about the different periods which China is undergoing, such as the present period of Political Tutelage, etc. On the other hand, much publicity has been given to the Chinese territories which have now declared "autonomy," and characterize them as "a government for the welfare of the people." All other lessons or passages dealing with the "history," "spirit," "language," and "struggles" of the Chinese people are all stricken out. All pictures, illustrations, etc., showing the "national humiliations," "Dr. Sun Yat-sen and his Party Principles," "National Defence and Airplanes," "Production and Promotion of Chinese Native Goods," etc. are all omitted.

In Lesson 10 of Volume 2 of "Common Knowledge" 常識, the original subject was "In Memory of Dr. Sun Yat-sen," but it is now changed into "Cleanliness in the Classrooms." In Lesson 11, the first sentence was "to go to attend the meeting, and to plant trees," but it is now changed into: "It is fine weather, and let us go to plant trees." The same textbooks produced a facsimile of a letter bearing an address from "Nanking." But now, the word—"Nanking"—is changed into "Tientsin" and "Peiping." The envelope bears the name of "The Post Office of the Republic of China." But now, the words—"of the Republic of China"—are stricken out. In Volume 4, the Lesson on "A Story of Dr. Sun Yat-sen in His Youth," Lesson on "Never Forget Our National Humiliations," and Lesson on "Foreign Goods and Chinese Native Products" are now stricken out in their entirety. In Volume 6, the Lesson on "Chinese Native Products and Patriotism" is now changed into "Increase of Production." The Lesson on "Overseas Chinese" is now changed into "Local Products." In Volume 8, the Lesson on "Salvation of China by Peaceful Fights" is now changed into "Commercial Ports and Foreign Concessions." The Chapter on "The Future China" which deals with unequal treaties, etc., is now changed into a study of the Life of Dr. Edison, a scientist. In the chapter on the Territory of China, the Four Northeastern Provinces are expressly stated to be no longer Chinese territory. A map underneath also indicates the same. The Lesson on a study of "Initiative" and "Referendum" is now changed into a study of "Public Hospitals." In Volume 8, Lesson 33, the original subject dealt with "Election and Recall." But now, it is changed into "Eastern Hopei," which "prevents the spread of communism" and which "adopts the autonomous government." This chapter explains the matter in such a way as to indicate that the erection of the famous Great Wall by the ancient Chinese rulers was for the merely purpose of preventing the spread of communism into China, and the opening of the Grand Canal was for the purpose of adopting an autonomous government in Eastern Hopei. Lesson 37 deals with Confucius, and characterizes the teachings and the principles of the Chinese Sage as "benevolent."

"Enslaving the Chinese Young Generations"

In other words, what is meant by "Pan-Asianism" is only an "ism" to ruin and alientate Chinese patriotism. What is meant by the "Original Oriental Civilization" is employed, on one hand, to oppose the Three Principles of the People of the Kuomintang; and on the other, cherish the idea of co-operation among China, Japan and Manchukuo, and to educate and train up the Chinese to be "pro-Japanese" and "pro-Manchukuo." This is an education to make the people to be the "slaves" of the aggressor! Such is now the kind education taught the Chinese in Eastern Hopei under Yin's "government." Should we not take steps to abolish such education; and to prevent it from being adopted in other parts of North China?

Nanking, April 11, 1936.

Tibetans See War Between Soviets and Japan as Inevitable

George B. Enders, foreign adviser to the Grand Lama in Tibet, while on a business trip to New York last month, stated that Asia will burst into a volcano as soon as the peace in Europe is broken. He said the Tibetans regard a war between Russia and Japan as inevitable, adding. "An explosion in Europe is what the Japanese military extremists need to release them from all restraint at home, and give them a completely free hand to strike at Russia in Asia."

How "Manchuria Daily News" and "Kokutsu" Distort the News

BY THE REVIEW'S HARBIN CORRESPONDENT

IF there were a Pulitzer Prize for the distortion of facts and dissemination of false reports, the Peking correspondent of the official *Manchukuo News Agency* should most assuredly be the proud recipient of this award. In a mass of false and distorted reports now filling the pages of Manchukuo newspapers, the writings of this gentleman stand out as conspicuously as a mountain in a bright day. The latest yarn of this gentleman, featured by the local press in the boldest of types and gulped down by millions of Manchukuoans, concerns the alleged alliance between the Nanking Government and Communists with a view to realizing a common front against Japan. As every newspaperman realizes, the "news" is of the highest importance, for, if it were true, it should have indicated a complete change in Nanking's policy towards Chinese Communists with whom it has been fighting nearly a decade, in which case it would have been blazoned all over the world. Yet, the "news" went no farther than the confines of Manchukuo, where it was taken at its true worth, as a regular "stunt" of the Peking writer, to whose antics the populace has become rather accustomed.

A surprising side of the writings of this gentleman is the fact that he writes with an air of knowing all and everything, indicating the names, dates and places as if he were the eye-witness to the event reporteds by him. In his report dated April 2, he stated,

> "It has now been confirmed that since October 15 last year General Chang Hsueh-liang, who is the chairman of the Shensi Provincial Government, held repeated conversations with leaders of the Communist forces at Lochwan, Shensi Province, and succeeded in arriving at a certain understanding. The result of the negotiation was reported to General Chiang Kai-shek.
>
> In January this year, Generals Chiang Kai-shek and Chang Hsueh-liang conferred with representatives of the Third Internationale in Shanghai. Subsequently, representatives of the two Generals and such leaders of the Red troops as Mao Tse-tung, Hsu Hai-tung and Liu Tse-tan met in conference at Lochwan at the end of January when an agreement was concluded containing the following points:
>
> 1. The Central army in Shensi and Kansu provinces will discontinue their operations against the Communist forces and both sides will maintain the status quo.
>
> 2. The Communist forces, taking advantage of this opportunity, will invade Shansi Province. On the other hand, the Central army will enter the province under the pretext of bandit suppression for the purpose of destroying General Yen Hsi-shan's influence.
>
> 3. After occupying Shansi Province the Communist forces will renew their activities to Sovietize Hopei, Chahar and Suiyuan provinces, and they will later join the anti-Japanese national army.
>
> The recent movement of the Central army and the Red forces in Shansi is sufficient proof to endorse the conclusion of this surprising agreement between the Central authorities and the Communists.
>
> General Yen Hsi-shan has only recently learned of this cunning plot of General Chiang Kai-shek, but all is too late for the Shansi warlord, for the Central troops have already occupied nearly the whole of Shansi, eliminating Yen Hsi-shan's influence."

Distortion of Facts

There you are! It was thought that Chang Kai-shek was fighting the Reds in full earnest and at the cost of nearly wrecking the national treasury in the process, and now it turns out that he had buried the hatchet and concluded an alliance with these same Communists. The Peking correspondent is so sure of this "fact" that he proceeds to tell when and where Chiang Kai-shek and Chang Hsueh-liang met the notorious Communist leaders. Is this true or is it just another invention of the creative mind of this Peking correspondent? If it is another instance of distorting the fact, where is then the limit of all these lies and insinuations deliberately circulated from Peiping and the purpose of which cannot be otherwise but to pollute the public in Manchuria with deliberate lies and distortions of facts?

In the light of recent reports carried in foreign newspapers of Shanghai and Tientsin, there is even no grain of truth in this alleged Nanking-Communist military alliance, both Generals Chiang Kaishek and Chang Hsueh-liang continuing their anti-Communist compaigns as ruthlessly as ever. It is fortunate that, in Harbin, it is still possible to read foreign newspapers published in China, otherwise it would have been quite impossible to know the actual situation from distorted and highly prejudicial reports of the *Kokutsu* News Service now monopolizing papers in Manchuria. Those for whom the English language newspapers are simply a closed book, and they constitute the whole population of Manchuria, go about in complete darkness concerning the situation in China. They simply regard the reports of the *Kokutsu* News Service as lies and give no credence whatever to its reports.

Another aspect of these reports is that, when reporting some news about Chinese affairs, they contain not only "news" but also threats directed against the Nanking Government. Unlike other great news services, *Kokutsu* specializes in bringing to the readers its own opinions, interpretations and even threats in connection with the events it reports. From constant reading all these reports, one gets an idea that all is bad and rotten except Nippon, Manchukuo and East Hopei, and that, specifically, China is on the verge of utter collapse and chaos.

As an instance of this peculiar handling of news by *Kokutsu*, it is of interest to examine its report from Hsingking dated April 2 concerning the alleged Soviet-Outer Mongolian military pact. After stating that it was extremely suspicious that the Nanking Government had not yet protested against the conclusion of this pact, the report went on to state, "the absence of this protest is a sure proof of the existence of a secret understanding between Moschow and Nanking, whereby the National Government had given its tacit sanction to the Soviet-Outer Mongolian military alliance, concluded in violation of the provisions of the Sino-Soviet treaties of 1924." It closed by saying that "the conclusion of this Soviet-Chinese military alliance would have a similar effect as that concluded by Li Hung-chang before the Russo-Japanese War. Since this alliance constitutes a threat toward Japan andManchukuo, the Governments of these two countries are taking appropriate measures of legitimate self-defence. In view of grave bearings of the Soviet-Chinese military pact on the Far Eastern situation, the Japanese and Manchukuo governments are paying the closest possible attention to further developments in the Soviet-Chinese rapprochement."

Reports Which Disgust One

It is a good instance of handling the news by *Kokutsu*. In this report there is, in fact, hardly any news except an inference, and a very shaky one at that, that the absence of the Chinese protest against the Soviet-Outer Mongolian military alliance is a "proof" of the existence of a similar military alliance between the U.S.S.R. and China herself. The whole thing is so treated as if the U.S.S.R. and China had already signed this pact, aiming it at Japan and Manchukuo. It is simply disguising to read, day in, day out, volumes of similar reports.

Similar distortions of facts one observes in handling the news concerning frontier incidents. As a rule, the *Kokutsu* reports minimize the Japanese-Manchukuo casualties to ridiculously small numbers, whilst refugees from the affected areas, now flocking into Harbin, tell quite different stories. According to these refugees, Russians and Chinese alike, all hospitals in Hailar and Tsitsihar are already filled up by wounded Japanese-Manchukuo soldiers as the result of recent battles along western frontiers.

A general impression here is that the Outer Mongolian troops, unlike their decadent and narcotic afflicated compatriots in Manchukuo and Inner Mongolia, have proved their mettle; they are good, trained fighters and strike with a telling effect. Some even go so far as to opine that, as the result of recent grand battles on the western frontier, the Japanese have become affraid of drawing into war any further and that they will prefer to press in the direction of the least resistance, North China.

It is pleasing to read one's reports fully collaborated by important press correspondents. W. H. Chamberlin, the Tokyo correspondent of the *Christian Science Monitor*, recently published a series of articles dealing with Harbin and North Manchuria in which he fully described the real situation obtaining in this part of Manchukuo. It is a pity that his stay was not long and that he could practically see nobody, being surrounded by White Russian spies, working for the Japanese gendarmery. One of these Japanese agents, whom W. H. Chamberlin had the unpleasant pleasure of seeing at all hours of the day, is a familiar figure in Harbin Short, heavily built, with cynical eyes, the man has something repulsive in all his bearing that to recognize a spy in him is the simplest thing. The man has, it is said, a questionable past, having been implicated in the robbery of a foreign employee of the Holland Harbor Works, then constructing the Hulutao Harbor. W. H. Chamberlin is quite right when he states that a G. P. U. atmosphere reigns in Harbin. It is a pity that he could not stay longer and see things more closely.

Harbin, April 8, 1936.

British Labor Pleads for Subhas Bose, Arrested in Bombay for Returning to India

A delegation of Labor Members of Parliament interviewed R. A. Butler, Under-Secretary for India, in London April 9 and pleaded for Subhas Chandra Bose, former Mayor of Calcutta, who was arrested in Bombay the previous day when he landed from Europe. Mr. Butler indicated that there was no immediate likelihood of the Government's decision being changed. Subhas Bose, after being under detention as a political agitator, was released last year to enable him to proceed to Europe for medical treatment. He was warned that he would be arrested if he returned to India.

Curious Creatures of "Modern Times"

BY T. S. YOUNG

POSSIBLY there is no country in the world which presents such strange contrasts between conservatism and modernism as China at the present time. Man-pulled rickshaws are running shoulder to shoulder with motor-driven vehicles, while junks are plying to and fro in company with steamboats. Water-pipes have made friends with cigarettes and cigars, while chopsticks have been mingled with knives and forks on the banquet tables. Tightly attired and rouged faced modern girls are walking hand in hand with their loosely dressed and lilly-foot grand-mothers, while foreig-style dressed and dance-crazy young men are sitting side by side with their bespectacled and stern looking grandmothers. Cabarets are situated by the side of sing-song houses, while jazz music is as popular as Peking opera. These are the contrasts which we can find in many of the big cities in China.

With these contrasts, China becomes indeed a very curious country with many curious creatures. In the process of emerging from old conservatism to new modernism, the country presents a spectacle which resembles, to quote an old Chinese parlance, "neither an ass nor a horse." This appearance has much in common with that of a man who has borrowed a new and bright garment to cover his tattered and faded dress: on the surface, he appears spic and span and is hailed as a new man, but beneath this veneer of brightness, he is no less ragged than his old self. At this anomalous age, which is generally referred to as the transitional period, there are living in our midst many curious creatures, who are seem to be too modern to be called conservative, but cannot be called really modern in the real sense of that word.

The word "modern" has been so much abused now-a-days that it has long lost its original meaning. It has become a convenient prefix which can be applied to anything from two-legged human beings to four-legged tables. Suffice it to say that any imitation of Western fads or practices can be immediately called modern something. In the present article I have the pleasure in presenting three different classes of our modern creatures with the hope of giving my reader some ideas as to the curious products of this transitional period. Least there should be any well-intentioned persons who cannot perceive the difference between the conscientious assimilators of Occidental and Oriental civilizations and the blind idolaters of Western fads, and between those who can differentiate the good qualities of Western civilization from its bad ones and those who can only see its superficialities, let it be definitely understood that it is the latter, and not the former, that are condemned here.

The Modern Mandarins

The first class of curious persons that have come to our notice may be called modern mandarins. In the old days of the Manchu dynasty, the officials were generally referred to by the foreigners as mandarins. These mandarins, as a rule, wore roof-shaped mustaches, smoked opium and kept a harem of concubines. To distinguish themselves from their fellow human beings, they put on themselves an air which seemed to be very dignified but really comical. For the lack of a better name, it may be conveniently called "mandarin air." The aspirants to political positions had first to learn to assume this "mandarin air". This air pervaded so thickly throughout the official world, that the officials were not considered as natural human beings. Their yamen were forbidden places, into which no commoner could get admittance. The language they spoke has now been known as mandarin language, and the food they ate, as mandarin dishes. Oh, what great personages were these mandarins! But they forgot their dignity and composure before the revolutionists, and lost their power of speech in face of foreign "devils." Although the Yellow Jacket and the Double-eyed Peacock Feather are things of the past, the "mandarin air" is still lingering in our officialdom.

The modern mandarins are, of course, not afraid of foreign "devils," for they have been educated in foreign countries, and can speak foreign languages fluently. They substitute cigars or cigarettes for opium, and keep a few pretty girl "friends" instead of concubines. They are dressed in smartly-cut foreign style dres-s es, ride in imported limousines, and speak a language which is a mixture of Chinese and foreign words. Besides, "when I was in America (or any other country) etc." is always on their lips. They can dance modern steps, play poker, and drink imported wine. They read foreign newspapers, and can quote off-hand any words of foreign statesmen, dead or living. On the surface, they appear modern in every respect.

But whatever good education they might have received and how liberal their ideas might have been, they would forget their foreign education and liberal ideas as soon as they embark upon the official world. Their offices would become as exclusively as yamens, and their over-bearing attitude would even cause the old mandarins to admire. They have put on themselves such "mandarin airs," that, in spite of their foreign-style dresses, they present themselves as the very counterparts of old mandarins. It is humorous to look at the old mandarins with all their artificial airs as now being portrayed on the stage. We can imagine how more humorous will be the portrayal of modern mandarins in their foreign-style dresses to the people of future generations!

Equally cruious as the modern mandarins are our modern girls. They are the slaves of Western fads and imitators of Western practices. In their eagerness to follow the Western fads and practices, they would go to such an extent as to dye the color of their hair and change the pigment of their skin. But for the clolor of their hair and the pigment of their skin, they may be easily mistaken for some creatures coming from a strange land. They, of course, look upon anything Chinese as old and obsolete, and boast of their freedom from the bond of old virtues and traditions. They may have received some education. but their knowledge of the world is limited to pidgin English, few imported love-songs and a long list of the names of American movie "srars." The Chinema is their frequent resort; dancing, their favorite pastime; and love, their constant theme of discussions.

The "Flowers" and the "Stars"

They parade in the streets under the banner of modern girls, admired and worshipped by modern-crazy young men. They are called the "flowers" of our community and the "stars" of our society. Are these curious creatures really modern in the real sense of that word? If a girl can be called modern merely because of her permanent wave, rouged face, painted lips, manicured nails silk stockings, high-heeled shoes and a leather handbag to boot, this this generalization would cast a slur upon our many really modern women, who, with their good education received either at home or abroad and with their clear knowledge of the good qualities of Occidental and Oriental civilizations, have engaged themselves in the works for the benefit of our society and for the emancipation of our womanhood.

A woman, as a matter of fact, can become modern without the necessity of changing her appearance altogether. A pillow, no matter whether it is covered with a Chinese-made case or an imported case, will remain a pillow. The old wine, after being poured into a new bottle, will still have its old flavor. China would be much better off without these slaves of Western fads and imitators of Western practices. Their presence may imporve our outside appearance, but what good will this improvement do to a country? To casual foreign observers, China may appear a modern country, but this modernness is only skin-deep. It is a mockery. Truth to tell, China dressed in her old and tattered garment will make a much better appearance than she attired in this robe of hypocrisky.

Besides modern mandarins and modern girls, we have the third class of curious persons whom we may call modern moralists. China with its many moral teachings and traditions is indeed a fertile place to breed moralists, but what I have in mind is altogether a new product of this modern age. They, of course, do not frown upon the intimacies between sexes as their old fathers would do. Nor do they believe in the sacredness of a marriage tie which can not be severed by any means. They choose to look at morality through a pair of modern glasses. In other words, they try to use theis superficial Western knowledge to interpret our old moral teachings.

For instance, while they are frequenters of cabarets, they would say that sing-song houses are immoral places. While they keep one or two girl "friends" as their mistresses, they would denounce with vehement terms the concubinage system. While they regularly attend horse and dog races, they would advocate that mah-jongg should be banned because it is a form of gambling. While they take a great delight in looking at imported nude pictures, they would condemn any Chinese literature with slight suggestion of sexes. In a word, their minds have been so prejudiced by their idolatry of Western civilization that they would readily take up such imported practices and pastimes that have been verily condemned as immoral in Western countries.

We are now living in the midst of such modern creatures. Besides what I have said in the above, we have many other classes of modern persons. But an acquaintance with these three classes will be enough to enable us to visualize what a modern China is.

Admiral Murfin Will Fly from Hankow to Chungking and Chengtu

Admiral Orin Gould Murfin, Commander-in-Chief of the United States Asiatic Fleet, arrived in Canton April 7 aboard his flagship, the U.S.S. *Isobel*. He was greeted in the southern port by a gathering of American and Chinese officials. Admiral Murfin called on Lin Yun-kai, Governor of Kwangtung, and Liu Chi-wen, Mayor of Canton, and attended a banquet given by them in his honor. After receiving return calls from Messrs. Lin Yun-kai and Liu Chi-wen, he was the guest of honor at a dinner party given at the American Consulate in the evening.

The *Isobel* with the Admiral on board returned to Hongkong the following day and on April 11 proceeded to Amoy. Admiral Murfin proceeded to Nanking end of this week, not calling at Shanghai. The Admiral's itinerary in the Yangtze Valley includes a trip by air from Hankow to Chungking latter part of this month, also to Chengtu where he will call on Gen. Liu Hsiang, Chairman of the Szechwan Provincial Government.

China's Sovereignty Further Impaired as a Result of Soviet-Japanese Juggling for Strategic Position

BY C. Y. HSIEH

MAXIM LITVINOFF, that incomparable salesman of communist expediency to capitalist states, has had in hand another of the unenviable jobs created by the double morality of the times. All along, it may be recalled, he has aligned the foreign policy of his country with the school that has come to be identified with the sanctity of treaties, and as recently as March of this year he has once more placed on record his government's faith in this principle of diplomacy by his spirited attacks on Germany's denunciation of the Locarno Treaty. But now he veered around to explain and justify an act of his government which by all standards of international practice should be adjudged a breach of an existing treaty between China and the U.S.S.R.

We referred to the signing of the Soviet-Outer Mongolian Protocol of Mutual Assistance on March 12, 1936. The circumstances of the conclusion and announcement of the pact show that the Soviet Union meant to present China with a fait accompli in as flagrant a manner as Germany did to the other Locarno signatories. The pact, negotiations for which were kept from China, the legal suzerain of Outer Mongolia, was signed in Ulan Bator on March 12, 1936. But it was not until March 28 that the Chinese Government was officially apprised of the fact, thus learning it later than Japan and being treated as much a third party as the latter. The publication of the full text of the protocol on April 8 revealed for the first time the far-reaching character of the agreement and the corresponding extent to which China's sovereignty was compromised. The protocol as published contains four articles. Art. 1 provides that "in the event of the menace of attack (on either of them by a third state) . . . . (the U.S.S.R. and the Mongolian People's Republic) undertake immediately to consider jointly the situation that has arisen and to take all measures necessary for the protection and security of their respective territories." Art. 2 stipulates for military assistance in the event of military attack. This is followed by the provision, in Art. 3, for the withdrawal of troops of one of the parties stationed, by mutual agreement, in the territory of the other party, by way of fulfilment of the obligations set forth in Art. 1 and 2, this to follow the precedent set in 1925 when Soviet troops were withdrawn from the Mongolian People's Republic. According to Art. 4, the protocol will remain in force for 10 years.

Following official confirmation of the conclusion of the protocol, the Chinese Government lodged a vigorous protest with Moscow on April 7. The Chinese protest contended that the pact constituted an infringement of Chinese sovereignty and violation of a solemn pledge by the Soviet Government. It recalled that Art. 5 of the Agreement on the general principles for the settlement of the question between the Republic of China and the U.S.S.R. signed in Peiping (then Peking) on May 31, 1924, provides:

> "The Government of the U.S.S.R. recognizes that Outer Mongolia is an integral part of the Republic of China and respects China's sovereignty therein."

The protest declared therefore that the Chinese Government can, under no circumstances, recognize such a protocol and is in no wise bound by it.

But in its reply handed to the Chinese Charge d'Affaires at Moscow on April 8, the Soviet Government rejected China's protest which it described as "unfounded." The Soviet Note expressed deep conviction that the Chinese Government will arrive at the conclusion that the protocol does not contradict the Sino-Soviet Agreement of 1924 or violate China's sovereignty, "and is in the interests of the Mongolian as well as the Chinese nation." "Regarding the question of the formal right of concluding an agreement with autonomous parts of the Chinese Republic, it will suffice to recall the agreement concluded in Mukden on Sept. 20, 1924, between the Soviet Government and the Government of the Three Eastern Provinces, which act did not arouse any protests from the Government of the Chinese Republic. Moreover, the latter recognized even the above-mentioned Mukden agreement as having full force equally with the Peking agreement."

These explanations the Chinese Government deemed as 'groundless" in its second protest sent Moscow on April 11. In particular "the contention in the Soviet note that the signing of the Mukden-Soviet Agreement did not elicit a protest from the Chinese Government is just contrary to facts. It has to be recalled that before the said agreement was submitted by the local authorities to the Central Government and subsequently approved by the latter as an annex to the Sino-Soviet Agreement, the Ministry of Foreign Affairs at Peiping repeatedly made protests to the then Soviet Ambassador to China, on Sept. 25 and Oct. 11, 1924, respectively, and the Chinese diplomatic representative at Moscow also lodged protests with the Soviet Government."

"It was not until the said agreement had been approved by the Central Government and all legal procedure had been complied with that a notification was sent to the Soviet Government in March, 1925, to the effect that the Mukden-Soviet Agreement was to be considered an annex to the Sino-Soviet Agreement of 1924."

"Thus the signing of the Mukden-Soviet Agreement, which was originally an illegal act on the part of the Soviet Government, an act contrary to international practice, was only rectified subsequently by the Chinese Government. In no sense can it be referred to as a precedent for the Government of the U.S.S.R. to enter into any agreement with Chinese local authorities."

So far the Soviet Government has not put forth a good case in its own justification. It simply has none. By cynic disregard of China's sovereign rights in Outer Mongolia, the Soviet Government has been no more just toward China than Japan has been over Manchuria. It is difficult to see how Moscow's act can be compatible with its obligations assumed under the Sino-Soviet agreement of 1924 and as a member of the League of Nations. The fact that both China and the U.S.S.R. are states-members of the League suggests that what Moscow professed to be its aim in concluding the protocol with Outer Mongolia might as well be attained by approaching China to come to some sort of arrangement within the framework of the League Covenant. Such, apparently, is no part of the calculations of the Soviets whose enthusiasm for, and support of, the League does not extend beyond Europe and who have never really been reconciled to China after the fateful estrangement of 1927 an estrangement for which the short-sighted policy of both parties in largely responsible. As it is, Moscow will continue to ignore China and her protests and leave the legal issue of the case where it is.

The same, however, cannot be said of the political aftermath of the protocol which is rapidly becoming world-wide. There can be no doubt for one moment as to who is the party against which the precautionary measures envisaged in it will be taken. Long before its conclusion, several significant anticipations of some such pact had been made chiefly by the Japanese press. The first of these came as far back as 1933 when the Japanese started their drive into Jehol Province. Another press flutter over the same subject occurred last autumn, the occasion being tension in Anglo-Italian relations over the Ethiopian campaign which was generally thought to favor new Japanese moves to the west. And the most recent talk of Soviet-Mongol understanding gained currency sometime before the military coup in Tokyo when the more forward elements had been clamoring for a showdown on the Continent. Although none of these forecasts proved exact, nevertheless they emphasized the chief inspiration of the pact by Japan's vigorous policy. To the fear of Japan not unnaturally is added the menace from Germany. Of this fact, which has been underlined from time to time by the alleged existence of a secret German-Japanese alliance covering far-reaching political and military terms, the dates of the conclusion and official confirmation of the Soviet-Outer Mongolian Protocol are instructive. That instrument, let it be reiterated, was signed on March 12, which was five days after Germany had reoccupied the Rhineland, two days after Koko Hirota had expounded the independent and positive foreign policy of his new "national" government and the very day on which the final complete ratification of the Franco-Soviet Pact of Mutual Assistance was done by the French Government. Equally significant is the fact that the conclusion of the pact was confirmed toward the end of March when renewed Soviet-Japanese and Mongol-Manchukuoan border incidents synchronized with Germany's rejection of the counter-proposals offered by the other Locarno Powers.

If the Soviets have gained a strategic advantage by victimizing China, Japan will not be slow to counter with the same formula. Indications of what Tokyo will do have appeared in the characteristic Japanese fashion. The first reaction of the Japanese official circles was of course bitter denunciation that the protocol "solidifies Soviet military control" over Outer Mongolia and that it "exposes Moscow's aggressive intention," as it deals with situations preceding an actual attack by the imaginary foe.

But it is on China that Japan looks for a counterpoise prior to a reckoning with the U.S.S.R. The idea is to offset an illegal act by another illegal act. It is this idea which fathers those "anxieties over", and "suspicions of", China's real attitude toward the U.S.S.R. because of her allegedly weak, lukewarm and indifferent protests to the Moscow Government, and the natural conclusion that Japan has got to do something about it. And what is more logical than that if the Soviets have been suffered to conclude a mutual assistance pact with one group of China's local authorities, that Japan should also be entitled to enter into a similar pact for the fighting against sovietization with another group of such authorities? Grim rumor even has it that such a pact had already been negotiated between the Japanese military in North China and General Sung Cheh-yuan, a step quite in line with the theory that two wrongs make a right!

While it is deplorable that China's inability to defend her own territory has led to one impairment of her sovereign rights after another, the state of two powerful nations pouring their useful manhood and death-dealing armaments to their frontiers and juggling for strategic positions in the Far East cannot last long. A flare-up is due sooner or later. In saying this we are under no influence of fatalism. But neither can we afford such luxury as the London *Times* apparently enjoyed when it opined in a recent editorial that the reassuring aspect of the Far Eastern situation is paradoxically the large number of border incidents which invariably lead to nothing more serious than mere skirmishes.

April 14, 1936.

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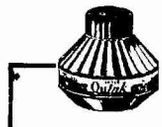

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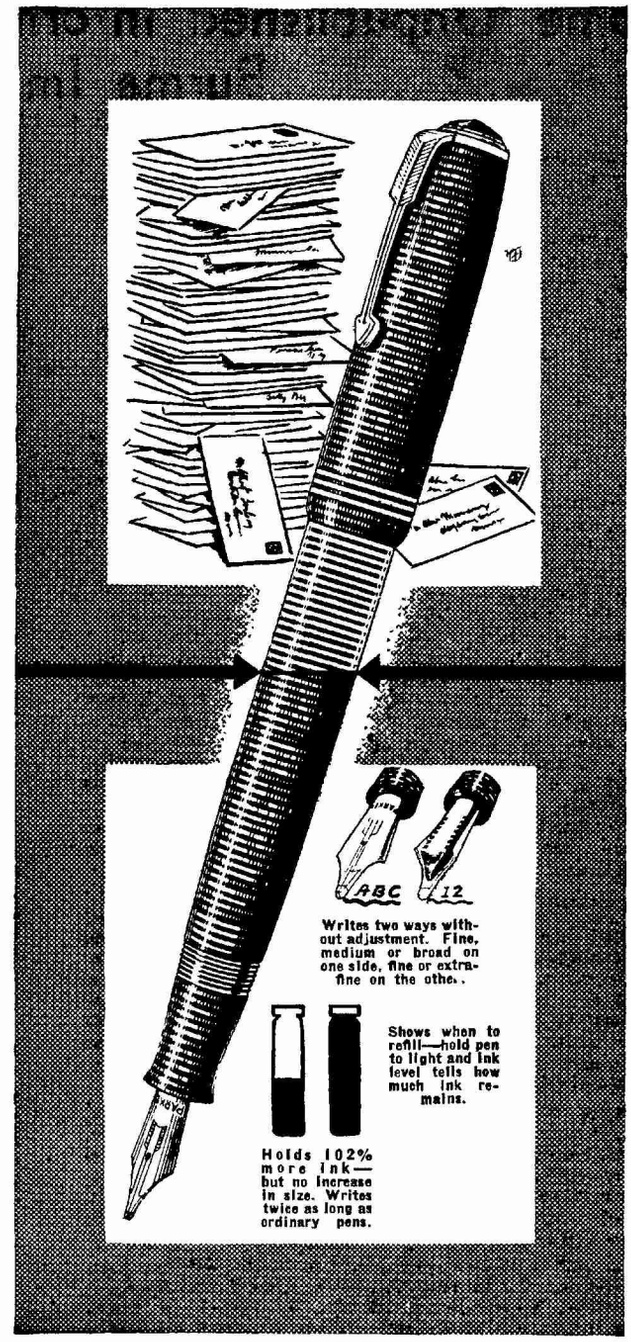
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Ambassador Sze Accompanies Bankers on Visit to Secretary Hull in Washington

Accompanied by Dr. Alfred Sze, Chinese Ambassador to Washington, Messrs. K. P. Chen, Director of the Bank of China and General Manager of the Shanghai Commercial and Savings Bank, and P. W. Kuo, head of the Foreign Trade Bureau in Shanghai now on a visit to the United States, called on the American Secretary of State, Cordell Hull, and the Secretary of the Treasury, Henry Morgenthau, Jr., in Washington, April 8. Interviewed by the press, Dr. Sze declared that the object of the visit was not to ask for a new loan or credit, being merely connected with the forthcoming opening in New York of a Bank of China branch. Questioned concerning the recent monetary reform undertaken by the Nanking Government, the Ambassador said the measure has proved a complete success.

Mr. Morgenthau, in an interview the following day, said the Chinese bankers had come to Washington at his invitation with a view to exchanging information on the mutual monetary policies of the United States and China. *Reuter* stated that Mr. Morgenthau declared he did not believe anything startling could be expected from the conversations. *Reuter* added that it was believed in Washington that the subject of the conversations is the extent to which the United States can help China in the management of her currency.

Senator Thomas from Oklahama expressed the opinion that a silver bloc between the U. S. and Mexico, Canada and China would be most useful for the rehabilitation of silver. Another Senator expressed the opinion that China would eventally resume the buying of silver.

The N. Y. *Journal of Commerce* April 10 commented that the United States is interested in the operation of the new Chinese currency system not only because the American silver purchase program has caused difficulties in China but also because an important market for United States goods is involved. The current negotiations in Washington between the Secretary of the Treasury, Henry Morgenthau, and a delegation of Chinese bankers headed by K. P. Chen would, if successful, thus make China the first member of the "dollar currency bloc," the *Journal of Commerce* declared.

U.S.-China Talks Conducive to Trade, Says Senator Pittman

Although fundamentally critical of China's managed currency program, Senator Key Pittman from Nevada, leader of the Senate silver bloc, commented favorably April 12 on the visit of the Chinese delegation to Washington. Senator Pittman said he had not been consulted regarding the Chen conversations with Secretary of Treasury, Morgenthau, but that he believed the establishment of the bank agency would be conducive to an improvement of trade between the United States and China and to the stabilization of the yuan in relation to the dollar. The Senator asserted that the United States should hold aloof from currency negotiations with China or any other nation unless those nations make specific proposals to the United States.

Some Unpublished Information on the Yunnan-Burma Imbroglio

BY O. K. LEE

THE information which I am going to give in this article is scanty but significant. The first part of it was obtained from a few individuals who are thoroughly conversant with the conditions in Yunnan and who have just returned from the southern section of that province, and the rest from a report in the *Shun Pao* of April 5, which has not been published in any of the local English newspapers.

It will be recalled that on March 14 the Chinese members of the Sino-British Joint Commission for the Investigation of the Undelimited Southern Section of the Yunnan-Burma Border, Yun Ming-teh and Liang Yu-kao, while passing through a village some distance north of Lantsang, South Yunnan, were attacked by a horde of native tribesmen. These assailants, described as bandits in the local press, were repulsed after a few hours fight with the military guard of the Commission. Of course, they might be real bandits, whose intention was to rob, but certain facts point to the theory that this is highly improbable. It is even doubtful whether the facts may not have been purposely withheld from the public and whether the bandit story may not have been concocted to hide the truth.

The attackers, it is known, belonged to a tribe of aborigines, called Kamin. There are 20 or 30 tribes in Yunnan and they form at least one-third of the population of the province. It seems that the Kamin, who are settled in the southern extremity of the province and whom the British have allegedly been trying for a long time to bring under their influence as a preliminary step to territorial annexation, have always resented the British. So it is said that when the news of the demarcation of boundaries reached them they were alarmed and they worked themselves into a feeling of hatred against the Chinese members of the Commission: the Joint Commission was mistaken for a conspiracy to hand them over to British domination. Is it not very probable then that the so-called "bandits" might be ignorant but bona-fide and patriotic native inhabitants?

British Troops Allegedly Invade Yunnan

A recent development in South Yunnan, which has been published exclusively in the *Shun Pao* and which deserves more publicity by virtue of the fact that the Chinese sovereignty is at stake, was that more than 200 British troops, armed with four machine-guns, invaded into the Yunnan territory on February 21 and occupied the Chingmao district of the Lantsang hsien, and that these troops were erecting broadcasting stations and performing diverse activities of an apparently militaristic nature.

Following occupation of the Chingmao district, Chang Ting-hsing, chief of the Seventh District of the Lantsang-hsien, lodged a protest with the commandant of the British troops, and subsequently received as a reply a notification purporting to be issued by the Sino-British Joint Commission. The notification, the text of which was given in Chinese in the *Shun Pao*, is translated as follows:

"The public is hereby notified that the Sino-British Joint Commission for the Investigation of the Undelimited Southern Section of the Yunnan-Burma Border, composed of representatives from the Chinese and British Governments and a representative of a neutral organization will undertake the investigation of the Yunnan-Burma border. With this end in view, the Commission will first survey the land and draw up a map.

Chinese and British surveyers are now sent to preform the work of surveying. They will in no way give trouble to the local populace, and will pay full wages to hired labor and full price for purchashed articles. On the other hand, the local population must not interfere with the work of the surveyers and must cooperate with them so that the work may by completed expeditiously and smoothly.

Above all, the public is warned not to damage any signs set up by the surveyors, who will only measure the land and will not fix the boundaries. After a map is drawn up, the representatives of both Governments will then personally inspect the territory.

The public must be patient and need not be dismayed or troubled over the boundary question, as the surveyors and their escort will not commit any action against local residents or their property.

(Chopped and Signed) British Members.
(Chopped) Chinese Members. Liang Yu-fung and Yun Ming-teh.
First Moon, 1936, 25th Year of the Chinese Republic.
(Chopped) Chinese Members and British Members of the Commission."

This notification appears to be of doubtful authority, and nine reasons are given for this suspicion. First, the local authorities were not notified through the proper channels before the entry of the surveyors and the troops into the territory. Next, the seals under the date on the notification of the Chinese and British members of the Commission were not affixed in positions corresponding to those affixed above the date. Thirdly, the notification should have been issued in the name of the Commission, not over the signatures of only three or four of its members. Fourthly, it is not properly dated. Fifthly, the British troops arrived from Burma, from a direction different to the route taken by the members of the Commission. Also, several expressions employed in the Chinese text are obsolete and therefore betray unfamiliarity with local conditions. Furthermore, it is unlikely that the Chinese Government should have permitted the survey to be made by British officers alone. As for the eighth reason, the survey carried out under armed escort seems to be a camouflage for territorial annexation. Finally, the British troops started activities of a military nature immediately after their arrival Chingmao.

Lantsang Population in an Uproar

In the meantime, the population in Lantsang is said to be in an uproar and has sent telegrams to various parts of the country, appealing for assistance. That the British should try to seize the Yunnan border regions after the Chinese Government had agreed to consider the question of demarcation and when the Joint Commission was engaged in investigation, is very unlikely, but one cannot help saying that there could not have been smoke where there had been no fire. Is the presence of the British troops to be accounted for by an anticipation of a decision of the Commission in favor of the British? or were they invited into the territory by the Chinese members of the Commission because it was thought that Chinese troops and police were unable to strike sufficient awe into the hearts of the native population to ensure their personal safety? or did the British appear troops uninvitedly on what is still Chinese soil to overawe the Chinese members of the Commission and the local authorities so as to force a favorable decision to Great Britian? These and many other questions one is apt to ask one's self but cannot answer.

Shanghai, April 11, 1936.

British Troops Have Not Occupied Lan Chong

The *China Times*, April 12 published a dispatch from Nanking stating that the report to the effect that British troops have occupied the second district of Lan Chong Hsien in Yunnan Province and that military preparations have been carried out by these troops, is reportedly entirely untrue. The British troops in the district are attached it is stated, to the British delegates of the Burma-Yunnan Border Investigation Commission, and, they have occupied no place in this area. The work of the border commission is proceeding satisfactorily, according to the reports received in Nanking by authoritative circles.

Salvation Army in Japan Ousts British Commander

A successful revolt was staged by younger officers of the Salvation Army in Japan April 10. The result has been that the joint command of Colonel Sekawa and Colonel Rolf has been abolished and Lieut.-General Gumpei Yamamuro reinstated as commander of the Japanese Salvation Army.

Colonel Sekawa has been named Chief Secretary, while Uyemura has been given the post of Field Commander. In addition, the leaders of the "rebels," who had been dismissed, have been reinstated. Colonel Rolf will leave for England soon.

The revolt was stated to have been settled April 10, but two days later flames of revolt burst out anew. Dissatisfied with the terms of truce reached between headquarters and younger officers, the non-commissioned men and women were out for more basic reforms in the organization. Following a tumultuous meeting, that ended in an impressive stillness as the Lord's Prayer was being recited, the Japan Federation of Salvation Army members consisting of adherents of non-commissioned rank, adopted a resolution urging the submission of a plan for a drastic reform of the institution, to the International Headquarters in London. More than 70 delegates were present from all parts of the Empire, while telegrams of encouragement, sent from Kagoshima and other cities, enhanced the ardor of the speakers. The meeting was held at the Salvation Army Hall in Shiba Park.

Speakers denounced the terms of the agreement previously made by the Japanese Headquarters as "mere patchwork" and declared that the reform should not be limited to the Japanese branch but should start with the International Headquarters.

Japanese Opium Factory in Kalgan Has Huge Output

According to reports received from Kalgan, the Japanese-organized opium factory in Kalgan is producing $30,000 worth of opium products per day. The factory has more than 50 sales offices in said city.

Tientsin Opium Shops Make $500,000 Profit in a Month

The *Shun Pao* says more than 200,000 people in Peiping and Tientsin smoke opium. The 20 opium shops, registered with the Tientsin authorities April 15, will, it is estimated, net a profit of $500,000 a month.

In a report submitted to the Inspectorate General of Opium Suppression last week the Hupeh Special Opium Suppression, Commissioner Wang Shih-wen, revealed that up to a recent date, 250,000 opium smokers in the province had registered themselves with the authorities.

Opium-Suppression Among Public Functionaries

Thorough suppression of the opium evil among civil servants through rigid inspection was enjoined by General Chiang Kai-shek, President of the Executive Yuan and concurrently Inspector-General of Opium-Suppaession, in a circular order to the Provincial and Municipal Governments issued last week. The order was forwarded, through the National Government, to the various Yuans, Ministries, and Commissions of the Central Government, for enforcement. The circular order directs that the names of all habitual smokers found in the employ of all Party, Government, and Army organs must be reported to the Opium Suppression Commission within two months. These smokers are to cure themselves of the habit in one month and a certificate submitted to the Commission. All those who are cured of but later relapse into the habit are to be immediately discharged and turned over to the Commission for punishment.

To further tighten the watch on drug traffickers, the Executive Yuan has ordered all rail, shipping, and aviation concerns in a circular order issued April 11 to strictly keep a close eye over the clandestine transportation of opium and other narcotic drugs and to report immediately to the authorities any such cases when discovered in order to effect the apprehension of the traffickers.

The Opium Advisory Committee of the League of Nations, as far as he was aware, had made no formal recommendations to the Chinese Government, declared Viscount Cranborne, Foreign Under-Secretary, in replying to a question in the House of Commons April 9.

Eights Drug Addicts Executed in Paoting

Eight drug addicts were executed in Paoting April 12 by order of the Hopei Provincial Government.

Koreans Debarred from Drug Trafficking

Following repeated representations by Chinese authorities, the Japanese officials in Peiping will prohibit Korean ronins from engaging in drug traffic and forcibly occupying Chinese houses in Peiping, a recent *Central News* dispatch from Peiping, April 13.

Miss Muriel Lester Continues to Follow the Opium Trail

Miss Muriel Lester, well-known English social worker, who spent considerable time in the Far East, investigating the operation and results of the Japanese Opium Monopoly in Manchuria, contributes to the March 18 issue of *Christian Century* an article entitled "Following the Opium Trail," in which she relates the results of her efforts to discover if possible whether there was any truth in the serious reports as to Japan's responsibility regarding the increase traffic in opium derivatives in North China. When she returned to Japan to report she says deep concern was evinced over the situation by statesmen, reformers and members of the House of Peers. Later she visited Hongkong where the government has increased the duty ao high that the revenue for 1934 had fallen to half what is was in 1933. But figures showed that smuggling of heroin and morphine is on the increase. The indifference of the rich was an obstacle to any reform. One of the worst features of the drug traffic, as Miss Lester found it, was the habit of giving away samples in order to create a demand. Miss Lester found in some of the streets in Canton that every other shop was filled with wooden berths like a ship's cabin and in most of them lay smokers. Near the opium and gambling shops there is the ubiquitous pawnshop. In conclusion Mrs. Lester says: "Opium is a government monopoly, but there is much smuggling. Canton officials vow that its illicit importation is made possible because of the proximity of Hongkong. We may deny and even disprove this. But we cannot enjoy much self-respect until the use or sale of opium is made an illegal act in every part of the empire." Mrs. Lester proceeded from here to India, whence she is going to the United States. She contributed an open letter to the *Chinese Recorder* last October in which the pointed out the responsibility of Japan for the dope traffic in Manchuria, The issue of *The China Weekly Review* of Oct. 12, 1935, contains several pages of matter, including photos, on this subject.

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Is Patriotism a Crime In North China?

Editor, *The China Weekly Review*:—

One crime leads to another, so a government, in order to do its best for the good of its country certainly should make suppression of crime one of its chief duties. Since the existence of crime depends on the existence of criminals, it naturally follows that the extinction of crime depends on the extinction of criminals. Criminals, of course, are those unfortunate beings who, after fair trial, are found guilty of the crime of which they happen to be accused. If they are proved guilty, they must suffer their just dues, and society should not weep for their fate. After all, with the removal of persons who disturb the peace of society, everthing is done for the general good; crime will gradually die out, and the death of crime may be expected to stop the birth of other law-breakers.

The death of Kuo Ching was unfortunate from more aspects than one. To begin with, just what was the reason for his arrest Why was he allowed to linger in prison for thirty-six days when by law he should have been tried within forty-eight hours? Was the lack of medical attention deliberate, or mere negligence? People in general do not know enough about the matter to be at all concerned, but these questions, and so many, many others, rank in the minds of us students. It all seems so unnecessary. He was not one of our strong leaders. He was merely one of those who were arrested because someone has to be arrested to justify a raid on any school. We never knew of his existence until we heard that he had died. But the emotional effect of that death is appalling in its magnitude! That a gentle, studious boy of eighteen, too obviously innocent, should come to such an end was undreamed of. Before he lost consciousness, he continually repeated, "I am a Chinese. I want to save China!" Just how he meant to do it, no one will ever know. We wonder if he knew. He was beyond all knowing when he was at last carried to two hospitals, one after the other, and refused admission. He did not know that he died in a Tien Chiao hospital, alone in the midst of city scum, but we know, and we cannot forget! We have made him a martyr, a symbol of suffering for our cause.

Patriotism is too high and noble a sentiment to be treated as crime. One need only compare the December Student demonstrations with the recent one of March 31 to realize that harsh measures can only strenghen our cause by proving that it as all the more important and necessary because of those very measures. In December, in a sincere attempt to do what we considered was the best, the least, and the most we could under existing circumstances, we expressed our love for our country, and the desire to keep our country for us to love. We numbered thousand on thousands, and thousands on thousands echoed our cry. However just or unjust it was to label us red is unimportant. Neither the accusations nor the resulting measures can ever curb our sheer enthusiasm!

On March 31, at the memorial service for Kuo Ching, utter bitterness left no room for grief, no time for mere sentimentality. Those present numbered barely 1200, yet they dared another demonstration. Unfortunately, this time enthusiasm took the form of bitter resentment. The very uselessness of any protest seemed to spur them on to some action, any action. And the result? More arrested, more wounded, perhaps more to follow Kuo Ching. We do not regret it. Those who participated knew that would happen if they broke "the emergency law." They may have seemed rash and self-destructive, but their action holds far deeper singificance. It shows that we intend to stop at nothing, no matter how destructive it is as an individual unit. For us the important thing is our original purpose; if we are forced to destructive methods in order to carry it out, we accept temporary destruction as a necessary evil step to ultimate conquest.

Youthful enthusiasm is necessary, so necessary that it will always outlive suppression. Suppression may divert it, warp it, but suppression will never kill it. Led in the proper direction, there are infinite possibilities; so much could be accomplished by youthful enthusiasm! As it is, we seem to be unreasonable, seem to be taking things things too much into our own hands. Do we have an alternative? We realize the importance of study, we weep for lost time, but with every minute and every corner filled with poignant memories, how can we study? We writhe in helplessness, yet there must be something we can do to help our imprisoned, some way to burst our own fetters. Did we come to be educated into mere uselessness! After days of untiring negotiating on the parts of school authorities, students governments, parents and friends, we know exactly where we stand. We have found out what cannot be done, and what cannot be known; a nearer and more positive approach is impossible. At most, we have been told that the girls, at least, are not being harshly treated. To make matters worse, for the rest of us, there is the constant fear of unexpected raids, not a fear of unjust accusations or arrests, but a terrible fear of suffering for nothing. More innocent suffering can only breed deeper, more wide-spread, and more personal, resentment. Even the release of those already arrested means very little; they, and any others, may be arrested again, any time, for any alleged reason, maybe for no reason. For months past, student leaders have not slept in the same bed two nights in succession. Such is the state of peace and order in our schools.

There seems to be a general misunderstanding which certainly ought to be cleared up before anything else is allowed to happen. Is the suppression of patriotic activities an end in itself. Or is "the preservation of peace and order" the end? If the former is the end, we might as well state frankly that it is unattainable because we are determined to make it unattainable. If the latter is the end, then the former is definitely the wrong means. In either case, both Communists and Japanese are crowing for joy. In either case, the sufferer is the best youth of our country. We are Chinese! We want to save our country!

CHOW NIEN-TZ'U

Peiping, April 12, 1936.

Kwangtung Government Will Issue Air Defense Bonds for Ten Million Dollars

Through an oversight, in last week's issue of *The Review* the heading to the paragraph on air defense bonds to be issued by the Kwangtung Government incorrectly gave the amount as one million dollars. The correct amount is ten million dollars, as stated in the body of the article.

According to the draft regulations, the bonds will be known as "Kwangtung People's Air Defense Bonds" to be issued in the name of the Kwangtung People's Advisory Council. The bonds will be bearer bonds in three denominations: $1,000, $500 and $100. They will be issued through the Kwangtung Provincial Bank, and will be distributed throughout the province, which will be divided into five separate areas, east, west, south and north Kwangtung, and the Chinchow-Lungyen district.

C.N.A.C. Plane Demaged in Chungking

The China National Aviation Corporation's plane *Pengpu* was slightly damaged while landing at the airdrome in Chungking April 13 from a flight from Chengtu. Both the propellers and the landing gears were wrecked, but fortunately no passenger aboard was hurt.

Japanese to Develop Air Base in Macao

The *Hwalien* News Agency says that as the Pan-American Aviation Corporation has come to certain understandings with the British authorities for the establishment of an airdrome in Hongkong the former has decided to abandon its plan of building an airdrome in Macao. It is said the Japanese authorities have approached the authorities in Macao for the purpchase of the land which the American aviation corporation wanted to buy. This action on the part of the Japanese is for the development of a strong air base in South China.

French Flier Plans Record Trip to Japan

M. Andre Japy, French civilian flier, has made an application to the Bureau of Aeronautics in Tokyo for permission to fly over Japanese territory. According to the terms of the application, M. Japy intends to leave Le Bourgeat Airport on June 17 or Sept. 1 for a fast flight to Tokyo by the northern route.

Pan-American Clipper Crashes in Trinidad—Three Drown

Three persons were drowned in Trinidad April 11 when a Pan-American Clipper plane, flying from North to South America, made a nose-dive into the harbor while taking off. The dead comprised a Londoner, E. R. Brough, an American passenger and the steward.

Italian Cabinet Issues Decree Authorizing Complusory Airforce Service

The Italian Cabinet April 8 approved a decree authorizing compulsory drafting of a portion of annual conscripts to the air force. The action of the Cabinet followed a lengthy speech by Signor Mussolini, in which he spoke of the "superb victories" of the Italian armies in Ethiopia. Italy thus becomes the first country in the world to impose compulsory airforce service.

Italian General Killed in Air Crash at Rome

In course of a night practice by a air unit under the command of General Maria Beltrami, in Rome, the general's machine suddenly crashed. General Beltrami was killed instantaneously.

Anti-Air-Raid Defence Demonstration Is Held in Russian City

On April 6, 62,000 men and women workers in gas masks marched on the streets of Kiev demonstrating their readiness to defend the country against air-raids. The demonstration was organized by the Osoaviakhim (Society for Air and Chemical Defence), and passed with great success.

H. M. Bixby, C.N.A.C. Representative, Returns to Shanghai—No Decision Yet on China Terminal

H. M. Bixby, representative in the Far East of Pan-American Airways and a Director of the China National Aviation Corporation returned to Shanghai from Canton April 12. Mr. Bixby went as far as Manila on his trip, where he spent most of his time. One of the main purposes of his journey, it is believed, was to speed up negotiations for a terminal point for Pan-American Airways in China. Pan-American has been trying for several months to find a suitable terminal point in China for the famous "Clipper" ships from San Francisco via Honolulu, Wake, Guam and Manila, Macao has been mentioned. So has Hongkong and Canton. To date no decision has been made as to which site the American concern will be able to use.

North China Cotton Exports to Japan Show Increase

According to statistics announced last week in Tientsin the total exports of cotton to Japan from Hopei during the first three months of this year were 44,362 piculs, while exports in the corresponding period last year only totaled 10,824 piculs.

For the current year China will have a total production of 8,235,000 piculs of cotton, representing a decrease of 1,890,000 piculs over last year, according to a Japanese estimate. The estimate places the Tientsin production at 1,640,000 piculs.

Japanese Start Construction of New Cotton Mill in Tientsin

Construction of a new cotton mill by Japanese textile interests was started in Tientsin on April 15. The first part of the mill, which will be completed by the end of this year, will have 50,000 spindles. The second part, which will be completed by the end of 1937, will have 100,000 spindles, It may be mentioned that the Yu Yuan Cotton Mill was purchased by the same Japanese tentile interests some time ago.

Cotton Control Committee Distributes American Cotton Seeds

The Cotton Control Committee of the National Economic Council has purchased large quantities of cotton seeds from America which will be distributed to the Chinese farmers—sufficient for 8,400 *mow* of cotton cultivation.

Farmers of East Hopei Compelled to Cultivate Cotton

To meet the demand of the Japanese, the bogus regime in East Hopei is compelling the farmers in Tungchow to cultivate cotton instead of other agricultural products. Large numbers of Japanese experts have been sent to the area to direct the work. The *Ta Wan Pao* says that because of the opposition against this measure on the part of the farmers, troops have been sent to the villages to see that the farmers carry out the instructions of the Japanese experts.

Five-Year Cotton Development Plan to Be Followed by Hopei

The Hopei Cotton Development Association has drafted a Five Year Plan. for the development of cotton cultivation. According to the plan, Cotton Experimental Centers will be established in Peiping, Chunliangchen, Tung Hsien, Ting Hsien and Chong Hsien. It is planned that the area of cotton cultivation will be increased from 8,000,000 *mow* to 18,000,000 *mow* and the cotton production will be increased from 3,000,000 piculs to 7,000,000 piculs by the end of five years.

Ta Sen Cotton Mill Offered for Sale for Third Time

The Ta Sen Cotton Mill, which was offered for sale at auction at a price of $2,000,000 has not yet found a buyer, despite the fact that the price has been reduced to $1,300,000. The management of the mill reduced the price to $1,600,000 during the second auction and $1,300,000 during the third auction held April 10. The factory has a total debt of $1,000,000. It is reported that the management is ready to reduce the price once again in the near future.

George Efron Awarded $2,100 for Libel in "Shanghai Zaria"

The appeal of the Shanghai *Zaria*, Russian daily newspaper, against the decision of the Second District Court in finding it guilty of defamation of character in connection with a wrongful report of the arrest in Chefoo last summer of George Efron, local diamond dealer, was dismissed by the Second Branch of the Kiangsu High Court, April 7. The original order that O. V. Lembich, publisher, pay a fine of $120, and L. V. Arnoldov, the editor, pay $200 was thereby confirmed. It is understood, however, that both will appeal to the Supreme Court at Nanking.

Owing to the fact that a civil action for $24,000 damages had previously been included with the criminal action, this led to an erroneous report (published in *The Review* last week) that this judgment also included the amount of damages claimed for. The fact is that the civil part of the claim was later tried separately. Judgment on the civil claim was given for $2,100 April 15.

Foreign and Chinese Communities Hold Annual Meetings

There was a sparse attendance of Foreign Ratepayers at the annual meeting in the Grand Theater April 15. H. E. Arnhold, the Chairman of the Council, stated in his speech that owing to the bad financial situation, the Council would have to raise twelve million dollars by debenture issue or otherwise. It was decided to continue the Municipal orchestra at a cost of not over $200,000 for the year. A long discussion on housing conditions resulted in the Works Committee being ordered to make an enquiry.

The meeting of 81 Chinese Assemblymen was held on the same date. They elected the present five Chinese Councillors (William Gockson, Yulin Hsi, Eugene Y. B. Kiang, Yu Ya-ching and Singloh Hsu) to continue in office.

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Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of JOHN A. SNELL, deceased, to present the same with vouchers to the undersigned on or before October 4th, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

JOHN W. CLINE,
Executor,
10 Young Allen Terace,
Shanghai, China.

Shanghai, China.

Will South China Meet the Fate of North China?

BY THE REVIEW'S FOOCHOW CORRESPONDENT

WITH her position consolidated in North China, Japan intends to thrust her nose into South China. She plays her old tricks: using traitorous Chinese as puppets and pulling the wires behind the scene. The present situation in South China is so precarious that it might develop to serious proportions unless prompt and competent action is taken to remedy it. Government authorities, it seems, have left no stone unturned in coping with the critical situation.

Reported Japanese Actions in Fukien and Kwangtung

This writer takes it for granted that the readers of this magazine are familiar with what has taken place in Fukien lately, as there are several articles concerning the Fukien situation, in the previous numbers of *The Review*. Perhaps the predicament of Fukien may be well indicated by three despatches appearing in the *Wah Tsz Yat Pao*, a Hongkong newspaper, on March 26 and 28. A Shanghai despatch, dated March 23, has it that in view of the menacing situation in Tehwa and Huian, which resulted from an "autonomous" movement of international complications, Chen Yi, Chairman of Fukien Provincial Government, flew to Fenghwa to confer with Generalissimo Chiang about precautionary measures. An Amoy despatch, dated March 27, had it that in Sienyen, Changpu, on March 23, a regiment of the Eightieth Division clashed with a number of bandits directed by Japanese ronin and uplifting a banner bearing the words, "Min Nan (South Fukien) Autonomous Forces" The regiment successfully repulsed the bandits, killing a lot of them and capturing a considerable quantity of munitions and reactionary handbills and posters. Another Amoy despatch of the same date had it that more than a hundred of "Young Men Volunteer Corps" were besieged by bandits in Taiping, Nantsing (a district near Changchow), on March 25. The siege was not raised until March 26 when reinforcements from the Eightieth Division rushed to the spot.

According to a report from Canton, appearing in *Sin Kuang Jih Pao* (April 1), the Japanese sphere of action appears to be not only Fukien but also Kwangtung. The report reads as follows:

> Since South China fell within the mark of a certain country, thes chemers and agitators of that country have been extremely active in fomenting sedition, and in organizing the malcontents and bandits. Their activities are not confined to Fukien but gradually extended to Kwangtung.
>
> At first, the object of their actions in Kwangtung was Tungkiang alone but at present, Canton is also their objective. With a view to paving the way for aggression, they have instigated Chinese traitors to cause disturbances, to smuggle goods, etc, and have enticed many Chinese to become naturalized. There is now no way to prevent smuggling. The number of Cantonese naturalized is increasing day by day. Though Canton authorities have taken due precaution, yet the activities of the aforesaid schemers cannot be effectively curbed.
>
> Very recently, many of the boatmen in Canton have been tempted to be naturalized subjects of a certain country. The reasons why so many boatmen become naturalized are not hard to find. First, the boatmen are so ignorant that they lack national consciousness. Second, they can get much profit from smuggling. Believing that the action of foreign plotters is a threat to the peace of Kwangtung, Canton authorities have ordered the Provincial Bureau of Public Safety to take steps necessary for maintenance of peace and order.

Abandonment of Fukien

It is rumored that Nanking officialdom, as they are incapable to handle the delicate situation, will sooner or later abandon Fukien. The rumor, in my judgment, is unfounded. Any man with a grain of common sense knows that Fukien is, strategically, politically, and economically, an important province. To the north of Fukien lies Chekiang, one of China's richest provinces; to the south, Kwangtung, base of revolutionary operations; to the west, Kiangsi, a place of strategic importance, commanding the entrance to the heart of China. Should Fukien fall into the hands of a foreign aggressor, the position of Chekiang, Kiangsi, etc, would be endangered. So far as my observation goes, the Nanking authorities have not the least intention of abandoning Fukien. From a Nanking despatch (March 27), we learn that Generalissimo Chiang has held the provincial authorities responsible for nipping seditionary activities in the bud, and has given them instructions concerning measures in case of emergency.

Consul General Nakamura's Statement

In an interview with the newspapermen on April 4, when he had returned to Foochow from Shanghai, Nakamura, Japanese Consul-general at Foochow, said that the alleged autonomos movement in Fukien has not really materialized but many things of ulterior motives have been done on the pretext of autonomy.

A Second Russo-Japanese War?

Recently, Japanese and Russian sentiments have waxed hot and cold over the border issue. Border incidents are frequently heard. Following the outbreak of an incident, tension invariably ensues. The tension soon eases. When another incident breaks out, tension occurs again. At times, the situation seems so tense that it might entail serious consequences.

True, an armed clash between Soviet Russia and Japan is inevitable if the border disputes are not amiaably and satisfactorily settled once for all; but such a clash is not necessarily imminent Unless something unforeseen intervenes, there is not the least likellhood of an immediate Russo-Japanese war. Since the Franco-Russian Pact was signed and since Germany sent her troops to Rhineland, European affairs have received Russia's chief concern. Russia does not want to go to war with Japan right now unless she has no alternative.

Present-day Russia is decidedly not the Russia of 1905. In so far as armaments are concerned, Japan is, is some respects, inferior to Russia. Japan knows too well that should she plunge headlong into war with Russia without due preparation, she might meet her Waterloo. This explains why Japan is straining diplomatic means to settle her dispute with Russia.

The inspired Japanese stories of unusual tension along Russia-Outer-Mongolia-Manchukuo border, are nothing but *smoke-screens* under which Japanese camouflage their activities in China and behind which they steal their march into South China.

Eight Thousand Chinese Reported to Be Living in Chicago

A special article in a recent issue of the *China Times* gave some intetesting data on the background and the present-day conditions of Chicago's famed Chinatown. The first Chinese resident was Moy Chung-hoi, a native of Toishan district in Kwangtung, who rented a house on Clark Street in 1880. From that time on more Chinese began to settle on Clark Street, the Moys and other large clans organizing into tongs and dominating the politics of that district. In 1900 in protest to domination by the large clans, a group of families led by the Tais moved to 22nd and Wentworth. They were supported by the Hip Sing Tong of New York City and On Leong Tong of San Francisco. With the two largest tongs in the country supporting the new group, Wentworth Street became the New Chinatown and the Clark Street district faded in importance.

According to the latest estimate, there are about 8,000 Chinese, all members of only 83 families, residing in Chicago's present-day Chinatown. Sixteen of them have American wives. Twenty-odd organizations, among them them the Chung Hua Association, the Chungshan Natives Guild and the Y.M.C.A., are found in Chinatown.

Peiping Papers Attacked by Mohammedans for Printing "Insulting" Stories

Two important vernacular papers in Peiping the *Shih-chieh-jih-pao* and the *Kung-min-pao*, were attacked and wrecked by several hundred Mohammedans April 8 for printing alleged "insulting" news items in their columns demental to the dignity of the Mohammedan community. The news item which incurred the displeasure of the Mohammedans, which appeared in both of the two papers, is one which asserts that the city of Hami, in Sinkiang, is a place prolific of beautiful women. The story, which first appeared in the *Shih-chieh-jih-pao* on April 5, dealt at length with the girls at Hami and their marriage customs. The story described Hami as the World's Holy Place for beauties and stated that the girls there often marry when only 15 years or even less of age. On the following day the story was reproduced by the *Kung-min-pao*. Highly incensed at the story, the Mohammedan community, who regard it as a piece of insulting lampoon against the girls of their faith, called an emergency meeting to devise measures for dealing with the matter. Early in the afternoon, about 300 Mohammedans gathered before the *Shih-chieh-jih-Pao* building and shortly before two o'clock started attacking the offices. All windows of the paper were smashed, most of the furniture wrecked, and telephone lines were cut. Not much damage, however, was done in the compositor's room.

As the result of mediation offered by the municipal authorities and the Press Union, the controversy between the *Shih-chieh-jih Pao* and the Mohammedan community was amicably settled with the former publishing in its columns April 10 a statement expressing its regret over the publication of the Hami woman story which was claimed by the Mohammedans to be insulting to the womenfolk of their faith.

In order to correct false impressions on the conditions in Sinkiang made by prejudicial reports which appear in the papers, a number of prominent Sinkiang natives resident in Nanking will write a series of articles depicting the true state of affairs in that far-flung province to be published shortly. A decision to this effect was made by the Sinkiang residents in Nanking following the *Shih-chien-wan-Pao* incident.

Peiping Advised to Handle News With Care

Following the settlement of the case the Peiping Municipal Government issued identic orders to all local newspapers enjoining them to exercise due care hereafter in publishing news which may arouse religious and racial complications.

Peiping-Tsingtao Through Traffic Inaugurated

Direct through train service between Peiping and Tsingtao—via the Peiping-Tsinan section of the Peiping-Shanghai through train and the Kiaochow-Tsinan Railway—was inaugurated Mar. 31. For the time being, two trips will be maintained each week, one train leaving Tsingtao for Peiping every Tuesday and the east bound train leaving Peiping every Friday.

Definite plans for the projected westward extension of the Kiaochow-Tsinan Railway have been arranged by the Railway authorities. The extension will be a semi-official enterprise. Following the precedent established for the construction of the Chekiang-Kiangsi Railway, a Railway Company will be organized; the shares to be subscribed by the Kiaochow-Tsinan Railway Administration, the Shantung Provincial Department of Reconstruction and the people residing along the line. Estimates of the cost have been submitted to the New Railways Construction Commission of the Ministry of Railways for examination. Subject to the approval of the Government authorities, surveys will be started within a month.

Among those who participated in the negotiations were Dr C. T. Wang, Chairman of the Board of Directors of the Kiaochow-Tsinan Railway; Ko Kwang-ting, Chairman of the Railway Administrative Committee; Chang Kia-ngau, Minister of Railways; Dr. H. H. Kung, Minister of Finance; and Dr. Oong Wen-hao, Secretary-General of the Executive Yuan.

Southwest Railway Plans in Full Swing

Plans for the construction of railway lines in the Southwest are now in full swing. The plans, as mapped out by Chang Kia-ngau, minister of railways, are as follows:

1. *The Hunan-Kweichow Railway*—A sum of $100,000,000 will be required for the construction of the railway between Changsha to Kweiyang. Hou Chia-yuan has been appointed head of the Hunan-Kweichow Railway Bureau to push the expansion plans.

2. *The Hunan-Kwangsi Railway*—The total sum required for the construction of this railway is estimated at $14,000,000. It has been agreed that the Central Government will appropriate $4,000,000, while the remaining amount will be alloted by the Hunan and Kwangsi authorities.

3. *The Kwangsi and Kwangtung Railway*—The construction of this railway will be carried out by the Kwangtung and Kwangsi authorities. It is understood that construction work between Yungning, capital of Kwangsi and Chingchow (欽州) has already been started.

4. *The Yunnan-Kweichow Railway*—This railway will be built from Quenmin, capital of Yunnan, to Kweiyang by crossing the Pankiang (盤江) in Southern Kweichow.

It is understood that a committee has been formed in Hunan for the purchase of necessary materials for the construction of these railways.

Kwangtung to Build Light Railway to Help Develop Coal Mines

To synchronize with the development of its many reconstruction projects, the Kwangtung provincial government is now rushing preparations for the exploitation of the coal mines near Kouyatung in Juyuan hsien, northern Kwangtung. An agreement is reported to have been signed between the provincial government and the Sino-British Boxer Indemnity Refund Commission for a loan of £90,000 as initiation funds for the purpose.

As better communications facilities are necessary for transportation of coal, the provincial reconstruction authorities are also planning the construction of a light railway from Juyuan to Lochang, about 15 kilometers in length, to link with the southern section of the Canton-Hankow Railway.

Loan Concluded for Pinhsiang-Nanchang Line

A new loan of $10,000,000 has been concluded by the Chinese Government authorities for the construction of a railway between Pinhsiang and Nanchang. The barter system will be carried out by the Chinese authorities to secure enough materials for its construction, and to encourage the foreign trade in the country.

Kansu to Build Kansu-Chinghai Highway

The Kansu Provincial Government in now awaiting the approval of General Chiang Kai-shek, President of the Executive Yuan, of the plan for building the Kansu-Chinghai Highway. The National Economic Council has promised to allot $160,000 and the Kansu Provincial Government has asked the Chinghai Government to share the remaining portion of the fund required.

The cost of the projected Kansu-Chinghai (Kokonor) Inter-Provincial Highway, which was originally estimated at $400,000, has been reduced to $240,000, according to a revised plan submitted to General Chiang Kai-shek, by the Kansu Provincial Government.

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In the United States Court for China

In re. Estate of FRANK R. VIDA, Deceased	Cause No. 4043 Special Proceedings No. 1060 NOTICE Filed at Shanghai, China, April 8, 1936. William T. Collins, Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of FRANK R. VIDA, deceased, to present the same with vouchers to the undersigned on or before October 10, 1936, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

WILLIAM J. GANDE, Executor,
31 Peking Road,
Shanghai, China.

Shanghai, China.

SOVIETS REJECT CHINA'S PROTEST AGAINST MUTUAL ASSISTANCE PACT SIGNED WITH OUTER MONGOLIA

(*Continued from page 228*)

a call on Mr. Sterimov, Soviet Consul there. The Soviets promptly acceded to the request as they did on the previous occasion, probably not without noting that the fact that the dead Japanese were found on the Soviet side of the border furnished the best argument in favor of their contention that the Japanese had violated the frontier.

Tokyo Sees Soviet-Mongol Pact as Establishing Precedent

Should the "powers concerned" accept the Soviet-Outer Mongol protocol of mutual assistance, it will establish a precedent for the conclusion of agreements between foreign governments and local Chinese administrations, Japanese diplomatic experts stated in Tokyo April 13.

Whereas all former agreements between foreign powers and local Chinese authorities involved no question of Chinese sovereignty, they said, the fact that the Soviet-Outer Mongol pact stipulates military assistance automatically infringes upon Chinese sovereign rights.

They argued that if this precedent is followed, any foreign country may conclude a similar pact with a local Chinese administrative unit without inviting criticism on the grounds that Chinese sovereignty had been infringed upon.

Dr. C. T. Wang Points Out that Protocol Is Infringement of China's Integrity

In an interview with the press, Dr. C. T. Wang, former Minister of Foreign Affairs declared in Nanking April 9 that the conclusion of a Soviet-Mongolian Protocol of Mutual Assistance constitutes an infringement of Chinese territorial and sovereign integrity and a violation of the Sino-Soviet Agreement of 1924.

"China—To Struggle!"

In an editorial captioned "China—To Struggle!", the *Shanghai Nichinichi* April 11 declared that the protest lodged by the Chinese Government with the Soviet authorities, in connection with the violation of the Sino-Soviet Agreement, was absolutely justified. "The most important question," said the *Nichinichi*, "is as to how future developments of the situation will be affected by this attitude of the Nanking Government. The natural result may be the sovietization of all of China and the disorganization of peace in the Orient. We suggest that the Chinese authorities deliberate the question during the Ninth Anniversary of the disruption of the Kuomintang by the Communist Party on April 12."

Dwelling on the fact that Outer Mongolia has been made a base of Soviet aggression in the Far East, working exclusively under the instructions of the Soviet Government, the *Nichinichi* warned the Chinese Government of future dangers to the country, urging the latter to "dispense with many of its Governmental figureheads, and to struggle with the Soviet and endeavor to cancel the Soviet-Mongolian agreement."

"Populaire" Comments of the Protocol of U.S.S.R.-M.P.R. Mutual Assistance

Commenting of the U.S.S.R.-M.P.R. protocol of mutual assistance, Paris *Populaire* wrote April 10: "Japan has created Manchukuo, occupied the Province of Jehol, put her hand on Northern China, invaded Inner Mongolia without the U.S.S.R. having expressed at the slightest protest or made the least symbolic gesture of opposition. However, the attacks of the Japanese troops on the frontiers of the Mongolian People's Republic constitutes a direct menace to Soviet territory. The Japanese occupation of Outer Mongolia would mean the establishment of Japanese control over the Siberian trunk railway and over the entire region of East Baikal. The U.S.S.R., therefore, could not remain passive while being faced with such grave danger."

Another Soviet-Japanese Clash Reported on Ussuri River Shore

Still another border engagement along the Soviet-Manchukuo frontier occurred April 13. According to a communique issued by the Kwantung Army Headquarters in Hsinking April 13, a Japanese patrol investigating the scene of an alleged kidnapping of Manchukuo subjects by Soviet forces, was subjected to a withering fusillade by about 40 to 50 Russian border guards at about 9 o'clock Saturday morning. The Japanese patrol, commanded by Lieut. Sakaguchi, returned the fire and a 30-min. combat ensued. The clash took place on a shallow in the Ussuri river at a point about 2,000 meters from Hulin on the eastern border of Manchukuo. A relief column of Manchukuo troops was immediately dispatched to the scene of the encounter.

Japan to Reopen Petropavlosk Consulate

With the approach of the fishery season in northern waters, the Japanese Foreign Office April 11 had decided to reopen its consulate in Petropavlosk, capital of Kamchatka. Buinchiro Tanaka, consul now stationed in Odessa, has been ordered to the northern city.

Soviets Welcome Cossacks to Their Ranks

Recent messages from Moscow stated that Mr. Stalin has decided to restore the Cossacks of the Don, Kuban and Terek to the status in the army which they enjoyed in Tsarist days. Stalin stated to a delegation of Cossacks at the Kremlin that the army again needed their fighting tradition and clan discipline. Henceforth they are again to be known as "The Cossacks." The clansmen had opposed any incorporation in the Soviet army which would mean the loss of their identity. Now they are again to be allowed to wear their striking uniforms and to carry their long sabres as in Tsarist days, says a Moscow report.

Seventy Anti-Japanese Chinese Arrested in Manchuria

More than 70 anti-Japanese Chinese have been arrested by the Manchukuo police of Liaoning Province in the past few days, according to reports received in Changchun. Among those arrested was one Yen Wan-teh, leader of the anti-Japanese Volunteers. On March 9, 1932, Yen was commander of 400 volunteers who made a desperate attack against Mukden.

Anti-Japanese Volunteers Attack Yilan

About 500 anti-Japanese Volunteers launched an attack against the Japanese barracks, the Japanese Arsenal and the Government offices of Yilan on April 4, according to a belated report received in Harbin end of last week. Killing large numbers of Japanese and Manchurian soldiers, these volunteers took away with them two field pieces, twenty machine guns, 100 rifles and 50,000 rounds of munitions.

One Women Volunteer Is Killed In Manchuria

One of the women volunteer members was killed and another arrested by the Japanese in their anti-Japanese campaigns last week, according to belated reports. These women volunteers were connected with the 2nd Poople's Revolutionary Army of the Anti-Japanese Volunteers it Manchuria under the command of Wang Teh-tai in Kirin Province.

1,500 Chinese Laborers Proceed to Manchuria Every Day

According to well-informed circles, about 15,000 Chinese laborers from Shantung, Hopei and Honan are going to Manchuria every day, passing through Tientsin. Theso laborers are recruited by the Japanese Ta Tung Company. The workers must pay one dollar each for a special pass to enter the country.

National Salvation Association in Kirin "Discovered" by Japanese

According to reports received in Harbin April 7, 36 members of the Chinese National Salvation Association of Kirin have been arrested by the Japanese. Most of the members of the association are students and teachers of schools in the province.

Yen 5,500,000 Increase in Earnings of the South Manchuria Railway Company for 1935

The total revenues of the South Manchuria Railway Company of 1935 amounted to Yen 156,000,000, which represents an increase of Yen 5,500,000 compared with the previous year.

Matsuoka Has No Fears for S.M.R.

"When the South Manchuria Railway Company finds it difficult to obtain additional funds, it will be the hour of Nippon's ruin," declared Yosuke Matsuoka, President of the Yen 800,000,000 concern, on his arrival in Moji, April 14, from Dairen. He said a continental policy cannot be carried out if the annual borrowing of Yen 100,000,000 occasion surprise.

Yen 80,000,000 for the Development of Agriculture in North Manchuria

At its meeting in Dairen on April 10, the South Manchuria Railway Company, at the request of the Japanese Kwantung Army decided to develop agriculture in North Manchuria. According to preliminary estimates, the plan of the agricultural development in said area will cost Yen 80,000,000.

Ten-Year Plan for the Development of Former Chinese Eastern Railway

For the development of natural wealth and general economic conditions along the former Chinese Eastern Railway, the South Manchuria Railway Company has drafted a ten-year plan. According to preliminary estimates, the plan calls for an expenditure of Yen 300,000,000. The entire sum will be raised by the South Manchuria Railway Company.

Through Railway Traffic Between China and Manchuria to Be Opened May 1

Through railway traffic between China Proper and Manchuria will be inaugurated on May 1, according to a decision reached at a conference held at Shanhaikwan April 10 by the Peiping-Liaoning and Southern Manchurian Railway Administrations. Concrete measures for the opening of the service were adopted at the conference.

Chinchow-Jehol Railway to Open June 1

Elaborate ceremonies in Jehol City will mark the formal opening to passenger and freight traffic of the Chinchow-Jehol City railway line on June 1. Trains are already operating on the Pingchuan-Jehol City stretch, which was the last to be completed, but regular schedules are not yet being maintained.

Bandits Holding Father Burns Try to Strike Bargain

The bandits holding Father Joseph Burns, the Maryknoll missionary whom they captured on Feb. 5, have offered to release him if the Japanese and Manchukuo forces encircling them are withdrawn, according to a report received April 8 by the United States Consul-General, in Mukden, J. W. Ballantine. News of the offer was conveyed to Tunghua, near which town the priest was taken prisoner, by a messenger who, on behalf of the Catholic Mission there, carried a parcel of food to the captive.

Japan's Investment in North Manchuria Trebled Since Foundation of New "Empire"

Japanese investments in North Manchuria now total Yen 95,000,000 as compared with Yen 35,000,000 just before the founding of the new Empire, the *Kokutsu* News Agency reported from Harbin April 14.

Japan and Manchuria to Sign Reciprocity Pact

Japan and Manchukuo, a recent *Reuter* message from Tokyo stated, will shortly conclude an agreement for the mutual protection of industrial property and the right whereby inventions by Japanese and Manchukuo nationals will be protected by both countries on a basis of reciprocity.

Japanese Troops Stand By at Hailar

Japanese forces at Hailar, northwestern Manchukuo, were standing by Feb. 15 following another alleged attack by Outer Mongolian forces on a Japanese detachment on the banks of Lake Buyer Nor on Manchukuo's western frontier, according to a dispatch from Hsinking Feb. 15.

Japanese Diplomat to Investigate Extrality Abolition Situation

Shigeru Kuriyama, director of the Treaty Bureau of the Tokyo Foreign Office departed for Manchukuo this week for a final investigation preparatory to the conclusion of a formal agreement between the Tokyo and the Hsinking governments for the gradual abolition of Japanese extra-territorial privileges within the new Empire.

Six Mongol Officials of North Hsingan Arrested on Conspiracy Charge

General Ling Sheng, Governor of North Hsingan, and five other high Mongol officials (Maj.-Gen. Fu Ling, Chief of Staff of the First Army of North Hsingan; Maj.-Gen. Chun Teh, Chief of the Police Bureau of the Provincial Government; Hwa Ling-tai, secretary of the headquarters of the First Army; Cavalry Captain Sateruto, formerly of the North Hsingan Garrison; and Wei Hsing-tai, of the Hailar Police Headquarters), were arrested early this week on a charge of conspiring to achieve the independence of the Mongol portion of Manchukuo, according to a communique issued by the headquarters of the Kwantung Army.

All six arrested men, according to the Kwantung Army communique, left Hailar under heavy guard for Hsinking to stand trial before a court martial. General Ling, the communique said, has been active in the Mongolian independence movement long before the founding of the new Empire. During the Sino-Soviet dispute in Manchuria in 1929, General Ling reached a secret understanding with the Commander of Soviet Border Guards Ostorikoff, under the terms of which Soviet Russia gave a pledge to assist the Mongols in securing their independence. The meeting between the two officials was held in Hailar. Ever since that time, the statement continued, Soviet authorities in Hailar have been obtaining important information from General Ling.

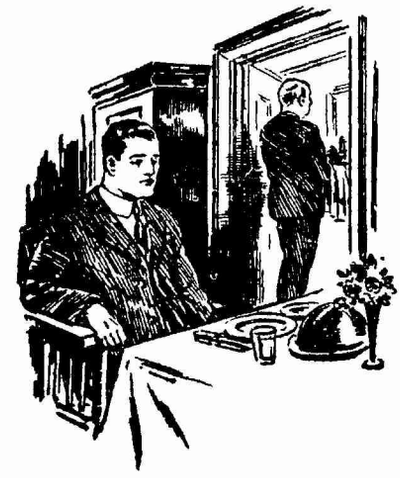
Tokyo dispatches stated that the Japanese Government was paying close attention to the case, because of its possible repercussions on Soviet-Japanese relations.

"Izvestia's" Comments on Manchukuo Officials' Arrest

Commenting on a communique of the Kwantung Army regarding the "Exposure of a Plot by High Officials in the Mongolian Administration of Northern Hsingan Province," Moscow *Izvestia* commented: "The Kwantung Army and the Japanese imperialist know that the Manchurian ground is very hot, and that various surprises are kept in store for them by 'liberated' Mongols and Manchurians. Having such difficulties in Manchuria, wise imperialists would draw one conclusion: not to push any farther. Instead of this the Kwantung Headquarters not only prepared for new adventures but moreover, by similar fairy tales, aggravates existing relations with the U.S.R., which desires to live in peace with Japan. Japanese imperialism has unwise agents in Manchuria and they will not bring it any good."

Ford V-8 Car Leads Against Strong Field in European Event

Competing with the most costly and powerful European and American makes, Ford V-8 motor cars this year won both major trophies of the annual Monte Carlo Rally for which they could be entered—the Monte Carlo Rally Trophy and the Ladies' Cup, for cars of unlimited power. Out of approximately 100 cars entered in the Rally, which is considered the greatest endurance test in European motordom, 23 were Ford V-8's. The winner of the Trophy and 50,000 francs was I. Zamfirescu, a Roumanian Ford V-8 owner, who covered the most difficult route of 2,403 miles from Athens to Monte Carlo.



Loss Of Appetite.

This is one of the earliest signs of lowered vitality. Something has sapped your strength, thinned and depleted your blood and in consequence, your digestive organs are weakened.

But you will find an immediate improvement in your general health and a rapid restoration of appetite in the tonic treatment provided by a course of Dr. Williams' Pink Pills. Since the formula of this old remedy was discovered by an eminent Edinburgh physician nothing has been devised which so definitely acts as a tonic to the nerves and a general restorative.

It has always been claimed that Dr. Williams' Pink Pills are so exceptionally efficacious on account of their unique faculty of improving and increasing the blood. In a recent series of tests, carried out by an independent physician, a group of anaemia sufferers showed most gratifying improvements in the quality and quantity of the blood after a short course of these pills. If you get run down this summer, or at any time, do not delay. Start taking this ideal tonic for blood and nerves. All chemists can supply

Dr. Williams' Pink Pills.

Soviet Film, Banned by Foreign Settlement, Appears in Chinese Territory

The Soviet film "Chapayev," which was banned from playing in the International Settlement, opened at the Isis Theater, which is situated just outside the Settlement limit on Chinese territory, this week. "Chapayev," which has been hailed by the press of the world, including the Chinese press, is one of these few good films turned out by the Soviets in recent times. It deals with one phase of the Civil War between the Red Army and Soviet partisans and the White Russian army. The audiences who have viewed the film at Shanghai have become extremely animated, reminding one that the days of 1917-20 are not forgotten some 16 years later.

The showing was disturbed April 12 by the shouting of two drunken White Russians. An interesting detail as to the screening of "Chapayev" here is that the Settlement censors persist in banning films passed by Nanking, which naturally attract more attention when they are screened in Chinese territory near Shanghai.

Senator King Says Chinese Nationalism Will Be Able to Resist Japan

That Chinese nationalism will become sufficiently strong to resist successfully possible new inroads by Japan was the opinion expressed by Senator King, Democrat from Utah, following a consultation with K. P. Chen, head of the Chinese bankers' delegation in Washington. The Senator said he had principally discussed Sino-Japanese relations with Mr. Chen.

Kawagoe to be Appointed Japanese Ambassador to China

A high official of the Bureau of East Asiatic Affairs of the Ministry of Foreign Affairs arrived in Tientsin April 13 from Japan by plane to call on Mr. Kawagoe, Japanese Consul-General in Tientsin. According to Japanese reports, the purpose of his arrival is to confer with Mr. Kawagoe, following the decision of Mr. Arita to appoint the latter as Japanese Ambassador to China.

Chiang Kai-shek Inaugurates Wuhan Branch Military School

BY THE REVIEW'S HANKOW CORRESPONDENT

GENERAL CHIANG KAI-SHEK, President of the Executive Yuan and concurrently Chairman of the Military Affairs Commission, conducted the inauguration ceremony of the Wuhan Branch Military School in Wuchang on Saturday, April 11. The Generalissimo delivered an hour's speech to the students and assembled guests, among whom were Governor Yang Yung-tai and General Ho Chen-chun, besides General Chien Ta-chun, Chief of the Office of Aides-de-camp and Chen Pu-lei, head of the second department of the Aides-de-camp. Following this ceremony the party inspected the new roads and highways on the Wuchang side of the river, later dining in the Hupeh Provincial Government Building, before returning to Hankow in the early afternoon.

The President of the Executive Yuan left Nanking last Wednesday, April 8, on an inspection tour of provinces west of Nanking. Arriving in Hankow on the gunboat Yet Sen, General Chiang Kai-shek has been busy seeking and granting interviews with the leading officials in this center. Both the political and the military situation is receiving his closest attention. Both Governor Yang Yung-tai and General Ho Chen-chun, Hupeh Provincial Pacification Commissioner, made detailed reports to the Generalissimo.

During his brief stay in the Wuhan center, General Chiang made his headquarters at the Central Bank building on the Bund of S.A.D. No. 2. Later in the day he inspected the various departments of the Hankow municipality in company with Mayor K. C. Wu.

The Generalissimo Flies Westward

Having completed his inspection of Wuchang and Hankow, General Chiang Kai-shek on Sunday afternoon flew westward in his plane. The Chinese press reports that his destination was Chengtu, Szechwan. However, no confirmation of this report could be ascertained here on Monday, April 13. Some rumors were to the effect that he had left by plane for Taiyuan in Shansi. What seems to be quite reliable information indicates that he will visit Szechwan, Shensi, and Shansi on this inspection tour.

Watchful Waiting Mood of Hankow

That the visit of General Chiang Kai-shek will have an important bearing on events during the next few months is certain. Reliable newspaper reporters believe that he is ascertaining the military strength of the nation, especially in the areas loyal to Nanking. The general mood of Hankow and Wuchang seems to be one of watchful waiting. Sometimes one feels as though something were in the offing. However, there is no sign of any precipitous action as yet, although there are many signs which show that the central government is trying to prepare for any eventuality with regard to the Sino-Japanese question.

Students' Union of Hupeh Closed by Authorities

Just a day before the arrival of Gen. Chiang Kai-shek to the Wuhan center, the Hupeh Provincial authorities held a meeting at the Hua Chung College, Wuchang, to which were invited representatives from all of the colleges and middle schools in this center. The meeting was held in the auditorium of the Hua Chung College, Thursday, April 9. Col. Shen Ching, Chief of Staff of the Garrison Headquarters, and Dr. C. P. Cheng, Educational Commissioner of Hupeh, were the main officials present. Both delivered speeches urging the students to apply themselves to the exacting task of preparing themselves for a career in life, and advising the school authorities to close the various branches of the Students' Union in their respective schools. As a result the chairman of the Students' Union handed over the seal of the Union to Col. Shen, who later transferred it to the Provincial Government and reported on the affair to Governor Yang Yung-tai.

Hua Chung College Organizes Consulting Chemical Laboratory

The Senate of Hua Chung College has sanctioned the plan of the chemistry department to organize a "Consulting Laboratory of Applied Chemistry" following more or less the scheme of the Institute of Research in Applied Chemistry at Nankai University, Tientsin. The purpose is to offer scientific information and technical advice to the public and to provide for our own students the stimulus and opportunity of applying their knowledge to the solving of actual problems.

More Than Fifty Hsiens in Hupeh Need Relief

Due to the excessive rains during the past month, many of the districts in Hupeh will have a very poor spring crop, if not a crop failure. The farmers are in a very helpless and almost hopeless situation. The Provincial Flood Relief Committee is devising ways and means of coping with this added cause for concern.

Yangtze River Continues to Rise

With the Yangtze river rising at the rate of more than a foot a day, dike builders are beginning to take their work very seriously. Government committees and commissions hitherto working rather too slowly, have come to realize that it is now or never. Feverish attempts are now being made to bring the most important dikes back into shape before the high water season comes. The Kianghan Engineering Bureau is getting busy with their repair work on the existing dikes in the S.A.D. No. 1 and No. 2, Hankow. Several officials have been out on dike inspection tours, both along the Yangtze and along the Han rivers.

Government Forces Trap Hupeh Bandits

Col. Ting Ping-chuan, head of the Hupeh peace preservation corps, reports victories over the bandits in the east Hupeh area. These have been won at Hsichokow and Tayukow, according to latest reports from Kwangchi.

Hankow, April 13, 1936.

The Child Welfare Movement

BY R. Y. LO (羅運耀)

AS today, April 4, is the Children's Day of the National Childrens Year, one's thoughts naturally turn to the importance of the Child Welfare Movement. Ever since the formation of the National Child-Welfare Association of China some eight years ago, there has been an upward current in estimating the value of childhood in the life of the nation. It is a tribute to the growing consciousness of the nation that this increasingly high estimation of childhood is not merely shown in the attitude of the thinking class, but is also winning its way into acceptance by the rank and file.

It is because of the inestimable values wrapped up in child personality that the task of child welfare is of great significance. Destroy the child and you destroy all the values that he might produce. What teacher or social worker knows when he is touching the life of a new Sun Yat Sen, Louise Pasteur or Thomas Edison? A striking passage from the Rabbinical literature may well illustrate the point. Two Rabbis were sent to visit the towns of Palestine in order to see how local affairs were conducted, and to ascertain whether they were well ordered. Once they went to a place and asked to see its guardians. They were confronted with the chiefs of the soldiery. "These", said the Rabbis, "are not the guardians of the town, they are its destroyers." "Who, then, are the true guardians," they were asked, and they replied, "The teachers of the children."

It is a melancholy reflection that whilst ancient Chinese literature does exalt childhood and recognizes its spiritual greatness, China of the past, however, has not always practiced her sages' teachings in treatment of children. Even now we are not unaware of the fact that there is so great apathy over children's wretchedness in this country, as so few institutions are known to have been maintained in the interest of child-welfare. As a rule, the normal life of most communities sees little or nothing of child suffering, and therefore hears little or nothing of its bitter cry. But the cry is there. We must convince our people that the greatest business on earth is to give to the child the best we have and to bring it up in the consciousness that its talents must be devoted to the service of its fellow-men. Very few will dispute this position, but too few make it a working principle in their everyday lives. In this humiliating but not unnatural fact lies the origin of our National Child Welfare Association which aims to awaken the general public to apprehend that the children of today are the masters of tomorrow, and that each of them has his or her own legal rights as much as have the adults.

The National Child-Welfare Association of China is now fully eight years old. Ever since its inauguration in 1928 it has been making praiseworthy efforts on behalf of child-welfare. Besides cooperating with other institutions in relieving the destitute children among the famine refugees, the Association has carried on an extensive program of child protection, child health, and child education, on a nation-wide basis. Locally, the Association is also maintaining for purpose of demonstration a Children's Home, a Clinic, a Children's Nursery, and a Children's Sanitarium. A monthly periodical called "Modern Parents" is being issued by the Association and is widely read. Other literature, including books, pamphlets, and posters printed by the Association are also being widely distributed.

In addition to the aforesaid efforts, the Association has succeeded in bringing about child protection laws and suppression of slave traffic. Under its auspices a National Conference of Child-Welfare Leaders was convened in Shanghai last year from October 10 to October 13. The result of this conference was very fruitful and epoch-making. Even the creation of the Children's Day on April 4 of every year and the designation of August, 1935 to July 1936 as National Children's Year are also results of the Association's efforts. Nevertheless, what has been done is not even a fraction of what is yet to be done. We have hardly begun. Let us therefore double our efforts in dedicating such a portion of our time and money to the promotion of the child-welfare work and have a new conception of our duty to the mother-land.

Shanghai, April 4, 1936.

Japanese Paper Says Students Carry on Communist Propaganda in Villages

The *Shanghai Mainich* of April 7 stated that students of the Great China University have left for the villages in the suburban districts of Shanghai during the present spring vacation. It was said that they are carrying on Communist propaganda among the peasants and, under the leadership of Communists, many students are following their example in the villages.

Arrested Students Released, but Fuh Tan Students Continue Strike

Students at the Fuh Tan University April 13 continued their strike despite the fact that seven of their comrades, arrested by the Garrison Commander's Headquarters on charges of being communists, had been unconditionally released from the Lunghwa military detention house the previous afternoon.

The students are pressing that the students should be allowed to resume their studies, that six other students wanted by the authorities and now hiding from the school be allowed to return safely, that the two "spies" should be dismissed and the National Salvation Association should be allowed to resume its activities.

The seven students, whose arrest last month caused serious disturbances on the Fuh Tan campus in Kiangwan, resulting in the death of a policeman, were handed over to their parents in the presence of Messrs. Tu Yueh-sen, Y. M. Chien, and Eugene Y. B. Kiang, members of the Board of Directors of the University. They were told by General Yang Hu, Garrison Commander, that they had been cleared of the suspicion of being communists and that they must return to classes and behave carefully.

President of Fuh Tan Guaranteed Release of Arrested Students

In a public notice to the students, Dr. T. H. Li, President of the Fuh Tan University declared April 9 that the seven students arrested by the authorities several weeks ago have been duly tried and found not guilty of having any connection with the Communists by the Garrison Headquarters. General Yang Hu, Garrison Commander of Woosung-Shanghai Area, submitted a report to General Wu Te-chen, Mayor of Shanghai, according to Dr. Li. Mayor Wu referred the matter to General Chiang Kai-shek, President of the Executive Yuan. The *Lih Pao* saws that Dr. Li declared that if the arrested students are not released on April 15, he would persuade the authorities to do so. "I shall resign if the authorities refuse to release the students," Dr. Li said.

Hupeh Students Federation Dissolved

In an order issued April 8, the Hupeh Provincial Government ordered the dissolution of the students federation. The order declared that the student's federation, which is being monopolized by certain undesirable elements, should be dissolved as it publishes magazines and handbills expressing in no uncertain words their distrust of the Government and the teachings of the Kuomintang.

Shanghai School Heads Investigate Conditions in Peiping

A group of 22 middle school principals from Shanghai proceeded to Peiping this week to conduct investigations into the educational conditions there. They visited the National Tsinghua and the Yenching Universities, among others.

Students Sweep the Streets of Peiping

For once Peiping was cleared of its traditional dust next when the entire army of students and public functionaries participated in a street sweeping campaign to clean the ancient city of dirt April 18. Gen. Chin Teh-chun, Mayor of Peiping, headed the street sweepers and presided at a ceremony at Tienanmen in the morning.

More than 2,500 middle school students turned out in Tsingtao April 13 to carry out labor service for the State. They will continue the work for a week, during which the boys are engaging in road-building and laying out a recreation ground, etc.

Under the auspices of the National Boy Scouts Association, a special class for the training of scout officers was opened at the Central Military Academy in Nanking April 11. General Chang Chih-chung, Dean of the Military Academy and Director in charge of the class, presided at the opening ceremony, which was attended by over 300 Government officials and boy scout leaders.

No Meetings, No Parades Allowed in Hopei

Declaring that North China is in a state of emergency the Hopei Provincial Government has decreed that no meetings and no parades will be allowed in the Hopei province. The order forbids students from giving lectures on the streets to the people.

300 Alleged Anti-Japanese Books Seized From Kobe Chinese

More than 300 Chinese textbooks, submitted for censorship by the authorities of the Chinese Middle School and the Hwachiao Tungmen School, were ordered confiscated April 13 by the Kobe prefectural authorities on the ground that they contained anti-Japanese material. This followed the receipt in Kobe of a Ministry of Interior circular informing prefectural and customs authorities that special attention should be paid to Chinese school books because of their contents.

CUSTOMS NOTIFICATION NO. 1507

With reference to Customs Notification No. 1274, the public is hereby notified that in future, in accordance with Government instructions, export duty will be levied on native goods declared for shipment abroad *via* Dairen, whether or not they are to be transhipped at that port; and, in cases where the interport duty on the goods is higher than the export duty, a guarantee, issued by a shipping company or bank and undertaking to pay to the Customs the difference between the two duties should a valid Certificate of Import not be produced within a reasonable period, will be required at the time of shipment. It should be noted that the above procedure is being introduced as a tentative measure and that the former procedure of cash deposits is liable to be reverted to at any moment if abuses should result from the privilege.

H. O. Tong,
Superintendent of Customs.

Paul Barentzen,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 11th April, 1936.

CUSTOMS NOTIFICATION NO. 1508.

With reference to Notifications No. 1353 and 1367 the public is hereby notified that as from the 11th April, 1936, broken rice and mixtures containing broken rice in any proportion will be classified under Import Tariff Heading No. 384 (a) and pay import duty as rice.

H. O. Tong,
Superintendent of Customs.

Paul Barentzen,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 11th April, 1936.

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Subscriber, departing from Shanghai shortly, would like to dispose of back-issues of *The China Weekly Review*, almost complete for the years 1932, 1933 and 1934. Librarians or others interested, please communicate with Subscription Department,

THE CHINA WEEKLY REVIEW

160 Ave. Edward VII, Shanghai.

Late Harold Dollar Greatly Helped Upbuild American Community

By the death of J. Harold Dollar, Vice President of the Dollar Steamship Lines, which occurred at his home in San Francisco, California, April 7, Shanghai has lost one of its most prominent friends. Although Mr. Dollar gave up his residence here in June, 1925, those close to him state that he left here with considerable regret, the change having been necessary in the interest of the great Dollar interests, in the management of which he took so prominent a part. Mr. Dollar, during his residence here, was active in many directions. For seven years he was president of the American Club. He helped in the foundation of the American School and the Foreign Y.M.C.A. He was one of the School's early presidents. He was also for several years president of the American Chamber of Commerce. He was likewise active in the formation of the Columbia Country Club and was a member of its first board of governors. He was co-opted as a member of the Shanghai Municipal Council, and later elected a member of said body in 1919. He was also instrumental in the building of the Dollar building in Canton Road in Shanghai and the Dollar Wharf at Pootung.

The Late J. Harold Dollar

Nanking Approves the Chekiang Consolidated Loan in Principle

The Executive Yuan April 10 passed in principle the proposal of the Chekiang Provincial Government for the issuance of a Consolidated Loan of $60,000,000. According to Chen Yuan-fang, Commissioner of Finance for Chekiang, the loan will be divided into four groups. The first group will amount to $4,500,000, bearing an interest of 9 per cent per annum, to be entirely redeemed in fourteen years. The second group will amount to $17,000,000, bearing an interest of 7 per cent per annum to be entirely redeemed in sixteen years. The third group will amount to $10,500,000, bearing an interest of 6 per cent to be entirely redeemed in eighteen years. The fourth group will amount to $28,000,000, bearing an interest of 6 per cent and will be entirely redeemed in ten years.

The greater part of the loan, it is understood, will be used to readjust old debts of the province; the remaining portion is to be devoted to the reconstruction work and to cover deficits sustained by the Provincial Treasury during the past two fiscal years.

The Chekiang Provincial Government is negotiating with the Shanghai banks for the mortgage of $10,000,000 of the new Chekiang Consolidated Loan bonds to be issued in the near future, for a cash value of $6,000,000.

Silk Filatures Ask Loan of $20,000,000

To finance the joint collection of cocoons, the Kiangsu, Chekiang and Shanghai silk filatures have sent twelve representatives to negotiate with the Shanghai banks for a loan of $20,000,000. It is reported that the Bank of China, Bank of Communications, the Kiangsu Provincial Bank and the Hsin Yeh Bank will form a banking syndicate to advance the money to the silk filatures.

Shanghai Banks to Extend More Rural Loans in Honan

Shanghai banking circles have decided to extend rural credit loans amounting to $3,000,000 to needy farmer in Honan with a view to assisting in spring sowing, cotton and wheat planting and irrigation work.

Hard Cash Shipments Banned in North

In a recent circular order the Hopei and Chahar Political Council banned the transportation of all hard cash in the provinces of Hopei and Chahar.

Death Penalty for Counterfeiters of Legal Tender Notes in Kwangtung

Counterfeiters of legal tender notes shall be subject to the death penalty, according to regulations governing the suppression of the counterfeiting legal tender notes now being drafted by the Kwangtung Provincial Government. The new regulations will be promulgated shortly.

Barter System to Be Carried on Between China and Germany

The *Shanghai Nichinichi* April 10 stated that an agreement has been concluded by a German firm in Shanghai with the Chinese Government authorities for the introduction of a barter system between both of their countries.

Banks Gave $200,000,000 Credit to Farmers in 1935

As a result of promotion by the authorities, Chinese banks are paying great attention to the financial conditions in the villages. According to latest reports, no less than $200,000,000 was given to the farmers as loans in 1935 by the banks.

Canton Bans Export of Gold

The Kwangtung provincial government April 14 announced a ban on the export of gold.

Dr. H. H. Kung Says China Retains Metallic Standard

"China is still retaining her metallic standard. Before the enforcement of the legal tender policy China's silver standard was a free silver standard, but now it is a managed silver standard, because the exchange value of each legal tender is now fixed at one shilling and two and half pence," declared Dr. H. H. Kung, Minister of Finance, in an interview in Nanking April 14.

Kwangtung Will Not Send Silver Reserves to Nanking—Hongkong Money in Favor

The *Shanghai Nippo* April 10 published a report that the negotiations between Chen Wei-chow, the brother of General Chen Chi-tang, and the Nanking authorities in connection with the financial and economic cooperation have failed. However, Mr. Chen declared that the Kwangtung authorities have agreed to the institution of a new monetary system.

On the same date the *Shanghai Nippo* said that following negotiations conducted by Chen Wei-chow with the Nanking officials, it was decided that the monetary system in Kwangtung will be changed, on the condition that the silver reserves will not be transferred to Nanking. The papernotes of the Central Bank of China will be allowed to circulate in the province. By this it is said that the Nanking Government will consolidate its economic and political control of the Southwest. It has been discovered that about $18,000,000 of Hongkong currency is now being circulated in both the provinces of Kwangtung and Kwangsi. A considerable part of the internal and external trade is being dominated by Hongkong currency. The unification of the currency system, in the Southwest, however, it was intemated, would weaken the role played by the Hongkong currency in the whole region.

Trouble With Dollar Steamer Crew is Laid to "Red" Activity

Allegations of Red agitation among the crew of the *s.s. President Garfield* were made when the Dollar liner docked in New York April 9 after a world cruise, according to the New York *Times*

The Captain of the liner refused to bring back two of the engine-room crew from Genoa and left another behind for insubordination and radical activities, while a fourth was quietly put ashore in Italy to await passage home on a foreign boat. The passengers are reported to be very indignant over the attitude of the ship's stewards who are alleged to have been too concerned with Red agitation aboard the liner to render proper service. The Captain is quoted as stating that 90 per cent of the crew had been terrorized by a radical spy system—"a veritable Russian Cheka"—which held sway aboard the liner.

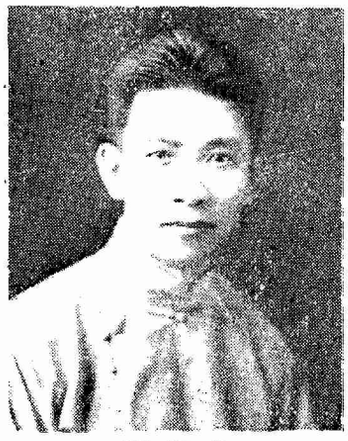
Investigating Committee Fixes Blame for Failure to Count Votes at Municipal Election

The committee appointed by the Shanghai Municipal Council, consisting of Messrs. J. W. Carney, V. St. Killery and T. Yamamoto, appointed to investigate into the matter of why 323 ballots, mostly cast by Japanese voters at the recent Municipal election were not included in the returns originally, issued a formal report of their findings April 8.

The committee, it was pointed out, met on March 30 and 31, and April 1, 2 and 3, conducting an exhaustive examination into the entire election machinery. During the inquiry testimony was taken from A. J. Welch and G. Boolsen, scrutineers (tellers) and J. R. Jones, S.M.C. Secretary, V. H. Bourne, Deputy Treasurer of the Revenue Department, and Messrs. Middleton, Comery, Ibusuki, Beesley and Kliene. All of these men were present during the counting of the votes, Mr. Jones being present at the opening, the closing and at intervals throughout. The report places the blame for the missing ballots on the shoulders of both Mr. Jones, the Secretary, and Mr. Bourne, Deputy Treasurer, as well as the scrutineers. The Committee stated it was convinced after hearing all the evidence that the miscount of the ballots was purely by inadvertence. No evidence was adduced indicating that anything transpired which pointed in the slightest degree to any sign of misconduct on the part of any one concerned. However, they should have seen that the ballot boxes were properly emptied. In order to obviate the recurrence in the future of this year's failure to count all the votes polled and to minimize the risks inherent in the present election procedure, the Committee recommended that the incoming Council instruct officers of the Council to draw up new rules within the scope of the Land Regulations, both for the conduct of the election and for the counting of the votes.

Who's Who in China

Chen Chueh-sheng, railway director; native of Chungshan, Kwangtung; born in 1899; graduated from the Japanese Imperial University at Tokyo with the degrees of B. Sc. in agriculture and LL. B.; first secretary to the 3rd Group Army of the Nationalist Revolutionary Forces; inspecting commissioner attached to the Ministry of Agriculture and Mining of the National Government; member of the Treaty Commission of the Ministry of Foreign Affairs: technical member of the People's Food Committee of the Central Political Council of the National Government; advisor to the Peiping Political Council and concurrently vice-director of the Institute for the Training of Rural Directors; advisor to the Hopei Provincial Government; counsellor to the Tientsin Municipal Government; advisor to the Chahar Provincial Government; advisor to the Headquarters of the Garrison Commander of the Peiping-Tientsin Area; now member of the Hopei-Chahar Political Council, member of the Foreign Affairs Committee of the Council and concurrently managing-director of the Peiping-Liaoning Railway; address: Peiping-Liaoning Railway Administration, Tientsin.



陳覺生
Chen Chueh-sheng

陳覺生，年三十七歲，廣東中山縣人，留學日本東京帝國大學得農學士，法學士學位。曾任國民革命軍第三集團軍一等秘書，國民政府農鑛部視察專員，外交部條約委員會委員，國民政府中央政治會議民食委員會專門委員，行政院駐平政務整理委員會顧問兼農村指導員養成所副所長，河北省政府顧問，天津特別市政府參事，察哈爾省政府顧問，二十九軍司令部顧問，平津衞戍司令部總參事，冀察政務委員會委員，外交委員會委員，北甯鐵路管理局局長。現任今職。通信處：天津北甯鐵路管理局。

Fifteen Persons Nominated for American Community Committee

The American Community Committee of Shanghai sent out a circular April 10 giving the information that the Nominating Committee composed of nine individuals who are not at present members of the Community Committee which was recently appointed by the American Community Committee has chosen fifteen names as follows, to be submitted for election to the General Committee this year:

A. Bassett, Yee Tsoong Tobacco Co., Ltd.; Mrs. C. L. Boynton; J. Fistere, National Aniline Chem. Co.; M. Freeman, Asia Life Insurance Co.; R. Grant, Chinese Government Mint; U. S. Harkson, Henningsen Produce Co.; E. O. Heuser, National City Bank; C. Lacy, American Bible Society; W. W. Lockwood, National Com. Y.M.C.A.; J. C. McCracken, St. Luke's Hospital; R. T. McDonnell, McDonnell & Gorman; Mrs. D. Nance, R. E. O'Bolger, Eastman Kodak Co.; F. J. Twogood, Standard-Vacuum Oil Co.; H. H. Welles, Shanghai American School.

The five names receiving the highest vote will serve for three years, the one name receiving the next highest vote will serve for two years, completing the late R. J. Corbett's term. The one name receiving the next highest vote will serve for one year, completing the term vacated by J. E. Swan.

Pacific Sailors Union Wins Suit—Court Decides Against the International Body

The Pacific Sailors' Union in San Francisco April 11 won two legal skirmishes in its warfare with the International Seamen's Union. Judge I. L. Harris granted the Pacific Union a temporary injunction forbidding the international organization to establish a new West Coast local union pending the outcome of the Pacific group's suit to regain its charter.

T'IEN HSIA MONTHLY

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Lin Yutang,
T. K. Chuan,
Wen Yuan-ning, Editor-in-Chief
APRIL, 1936

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ARTICLES

The Chinese Garden in Eighteenth Century England, by Chen Shou-Yi (陳受頤)
Walter De La Mare's Poetry, by Wen Yuan-ning (溫源寧)
Chinese Roof-Figures, by Mathias Komor

TRANSLATIONS

Green Jade and Green Jade (continued) by Shen Ch'ung-wen (沈從文) Translated by Emily Hahn and Shing Mo-lei (辛墨雷)

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Japan's Program in North China, an exposition of the Imperial Army's view, written by Gen. Hayao Tada, Commander of the Japanese forces at Tientsin. This declaration which aroused world interest constitutes the best explanation of Japan's attitude in fostering an "autonomy" movement in the five Chinese provinces, Hopei, Shantung, Shansi, Chahar and Suiyuan, Price 40c

China and the European Situation, an exposition of the new situation which has developed as a result of the Italo-British-Ethyopian Crisis, written by a well-known authority, Dr. Thomas F. Millard who recently returned from an extended trip to Europe and U. S. A., Price 15c

Why the United States Maintains its Full Naval Strength in the Pacific, an explanation of the developments since 1931 which have made it necessary for America to keep its full naval strength in Pacific waters, Price 15c

All three pamphlets, reprinted from recent issues of *The Review*, will be mailed to readers for 50c. Send stamps if more convenient.

China Weekly Review
160 Avenue Edward VII,
Shanghai.

Men and Events

More than 120 persons were either killed or injured and over 50 shops burnt down as a result of a disastrous fire in Canton April 11.

D. V. Bogomoloff, Soviet Ambassador to China, accompanied by Mme. Bogomoloff, arrived back in Shanghai from Nanking April 14.

Chang Pi-kuo, Mayor of Chungking, succumbed in Chengtu April 10 after a brief illness. Mr. Chang went to the Szechwan capital city last month on a business trip.

Dr. W. W. Yen, Chinese Ambassador to Soviet Russia, is leaving Europe at the end of this month on his way back to China, according to information received by diplomatic circles in Nanking April 13.

With the transfer of Wyatt Smith, British Consul in Foochow, it is understood that G. E. Stockley, vice-consul connected with the British Consulate-General in Hankow, has been appointed to succeed Mr. Smith.

Better treatment of Chinese residents in Cuba by the Cuban Government is said to be in sight following representations recently made by the Chinese Legation in Havana, according to information from Nanking diplomatic sources.

The death occurred in London April 8 at the age of 60, of Vice-Admiral Anselan John Buchanan Sterling, who was severely wounded in an attack on Chinese-held guns during the Boxer Rising in 1900 and was invalided home.

The Chinese Architectural Art Exhibition, sponsored by a number of prominent Chinese architectual bodies, was formally inaugurated in Shanghai April 12, at the spacious hall of the City Museum at the Civic Center, Kiangwan.

April 12 being the 774th birthday anniversary of Genghiz Khan (A.D. 1162-1227), a memorial service in honor of the famous Mongol Ruler was held at the Mongolian and Tibetan Institute in Peiping in the presence of a large gathering.

Dr. J. C. Ferguson, the first President of the University of Nanking and an authority on Chinese art, has been invited by the Executive Yuan to serve as an Honorary Advisor. Dr. Ferguson delivered a lecture to the students of the University April 13.

Fifty-one taxicabs belonging to the defunct Yellow Taxi Company were shipped from Shanghai to Nanking this week by the s.s. *Lee Ping*, they having been recently sold for a lump sum to interests in the capital for approximately ten thousand dollars.

The American University Club of Shanghai will hold its spring "prom" at the Paramount Ballroom Tuseday, May 5 at 8.15 p.m. In a circular to members, J. B. Lee, the secretary, says there will be a specially "hot" number by the Paramount "peaches."

The City Government of Greater Shanghai has been requested by the Ministry of Foreign Affairs to suppress the circulation of a year book published by the Life Book Store, Foochow Road, which contains a referece derogatory to Reichsfuehrer Adolf Hitler.

Funeral services were held at the Hungjao Road cemetery in Shanghai April 9 by the Rev. Father F. MacDonald, for the late Master Donald Marquis Major, the five-year-old son of Mr. and Mrs. J. M. Major. Mr. Maior is an employee of the Dollar Company.

According to the *Hsin Sen* News Agency, a responsible spokesman of the China Merchants Steam Navigation Company denied the report appearing in Japanese newspapers to the effect that the company has ordered a number of ships from an Italian firm.

Dr. Franklin Ho, well-known economist and Professor of Nankai University-Tientsin, arrived in Nanking April 12 from Chengtu by air after having investigated economic conditions in Szechwan. He attended a councillors' meeting of the Academia Sinica April 16.

The report that the long defunct Mint at Tientsin will shortly resume operations to turn out new subsidiary coins was denied by a spokesman of the Finance Ministry in Nanking April 10. The report was also denied telegraphically by the Hopei and Chahar Political Council

Seventy marines and an equal number of sailors arrived in Shanghai in the U.S.S. *Chaumont*, which arrived in Shanghai from the United States April 12. The majority of the sailors will take up duties on board various ships of the Yangtze Patrol. The marines will go on duty in Shanghai.

One hundred picked ponies, of best pedigree in Kokonor, are being presented to Gen. Chiang Kai-shek, as a gift for his coming 50th birthday anniversary by Gen. Ma Pu-fang, Commander of the Second Army stationed in Chinghai. The horses will arrive in Nanking by the end of this month.

Mr. and Mrs. T. Urabe April 14 entertained a large number of guests at a tea party at their home in Route Pere Robert, Shanghai, where the cherry trees are in full bloom. Mr. Urabe is head of the local Mitsui Bussan Kaisha and a member of the Shanghai Municipal Council.

The Municipal Government of Peiping is making arrangements for a reception to Sir Hugh Stephenson, retiring Governor of Burma, who is making a tour of China on his way back to England by way of America. He will visit during his stay in China Shanghai, Canton, Amoy, Tientsin and Peiping.

The death occurred in Tsingtao, April 11, following an operation for intestinal trouble, of Major Colin Stockwell, editor and publisher of the *Tsingtao Times*. The deceased was a British ex-service man and a leading member of St. Andrew's Society in Tsingtao. He is survived by his wife, Mary Jardine Stockwell.

Noritake Yoshioka, a Secretry in the Information Bureau of the Foreign Office in Tokyo, was appointed April 11 third secretary and ordered attached to the Japanese Embassy in China. The official, it is understood, will succeed Viscount Seiichi Motono, for the last 22 years a members of the press bureau of the Embassy in Shanghai.

A conference of presidents of medical colleges, both private and government, will be held in Nanking on April 22 under the auspices of the Ministry of Education. Problems relating to the promotion of general medical education, improvement in curricula and administration will be thoroughly discussed at the forthcoming convention.

The efforts of the Shanghai Municipal authorities to curtail the number of licenses issued to ricsha pullers resulted in a riot at the Markham road bridge April 13, in which several police constables were injured. Three buses and seven tramcars were badly damaged in the ensuing fray. It is charged that the ricsha owners had fomented the disturbance.

Six Koreans, charged with violations of Japanese Foreign Office ordinances governing residents in China were deported from Shanghai to Japan last week. Included were several violators of regulations on the sale and possession of narcotics. These six were among 17 Koreans who were arrested by the Japanese Consular Police since January, to the end of March.

Roy Bennett, managing editor of the *Manila Bulletin*, accompanied by his wife and child, and Mr Bennett's mother, Mrs. Wilson, were passengers on the s.s. *General Sherman*, which passed through Shanghai, Saturday, April 11, enroute to the United States on vacation. During Mr. Bennett's absence Carson Taylor, publisher of the *Bulletin*, will be in charge of the paper.

Dr. H. K. Hayes, Professor of Agriculture at the University of Minnesota, arrived in Nanking April 8, to join the National Agricultural Research Bureau. He is accompanied by his family. After a short stay in Nanking inspecting the various research institutes and experimental stations, Dr. Hayes will visit North China early next much to study agricultural conditions there.

Lim Nee-son, a Singapore resident who was a close friend of Dr. Sun Yat-sen, is to be buried hear the late party leader's mausoleum at Nanking. Mr. Lim, who died last month, rendered valuable service to the Chinese revolution by collecting funds and organizing recruits among overseas Chinese. At one time when Dr. Sun Yat-sen was an exile from his native land, he was harbored in Shangapore by Mr. Lim.

Lanchow was hit by another earthquake about 2 a.m. April 8, throwing the local polulace into great panic. Two shocks occurred successively within one minute. It is believed that the previous violent seismic wave, which rocked said city on March 31, originated from the Kulong district in central Kansu, which was the scene of the disastrous earthquake in 1927, when half of its population was killed.

Colonel Charles F. B. Price is due in Shanghai on the s.s. *President Cleveland* April 24 to take command of the U.S. Fourth Marines here, in succession to Colonel John C. Beaumont, present commander, who is scheduled to depart from Shanghai early next month. From here Colonel Beaumont with visit North China, making the trip back to the United States by way of Siberia and Europe. Colonel Beaumont will shortly be promoted to Brigadier General.

Over 80 Shanghai alumni attended the luncheon party at the Floating Restaurant in Shanghai, April 8, to welcome Dr. John Leighton Stuart, president of Yenching University, Peiping, back to China after a five-month trip to the United States. In the course of the luncheon which was presided by Dr. T. T. Chang, president of the Shanghai Yenching Alumni Association, Dr. Stuart made a brief report on his American trip which he described as an "exploration" into the possibilities of continual financial support to the institution by friends over there.

E. G. Berrien, an American citizen employed by the Yee Tsoong Tobacco Distributors Ltd., committed suicide in his apartment in Weihaiwei road, Shanghai, April 8, by shooting himself in the head. The inquest held by U.S. Commissioner Collins revealed that deceased was in a state of despondency. Mr. Berrien came to Shanghai 14 years ago and joined the British-American Tobacco Company at that time. He leaves a brother in Beverly Hills, California, and an aged father in El Paso, Texas, as well as relatives in St. Louis, Missouri.

After more than eighteen months in the hands of Communists in Kweichow, Hunan, Kweichow, and Yunnan, R. A. Bosshardt, the Swiss member of the China Inland Mission who was captured by Reds under Hsiao Keh on Oct. 2, 1934. was released beginning of this week. He walked into Yunnanfu a free man April 13. No ransom had been paid. Mr. Bosshardt was one of a group of missionaries who were captured by Hsiao Keh, the notorious Communist leader, during the latter's rapid march through Kweichow province towards north-western Hunan. His companion, Mr. Hayman, was released last November.

The biggest dockyard in China, (the third one of the Kiangnan Dock and Engineering Works of the Ministry of Navy, Kaochangmiao, at Nantao) was opened April 14 at a ribbon-cutting ceremony performed by Miss Ma Min-shu, daughter of Ma Deh-chi, president of the dock. The new dock measures 640 feet in length, 100 feet in width and 26 feet in depth.

Steamer Carrying Chinese Art Treasures Stranded Near Gibraltar

Carrying on board the Chinese art treasures recently exhibited in London the P. & O. s.s. *Ranpura* stranded near Gibraltar April 14, and all the passengers had to be taken off. The accident caused a sensation of stupendous proportions in London. The latest news was that the steamer had been refloated. The British Admiralty assured Dr. F. T. Cheng, the Chinese Government Commissioner who accompanied the treasures to London, that it would see that everything possible is done to safeguard the art treasures.

Rotary Conference Meets in Shanghai With Many Delegates Present

The 81st (Far East) District Conference of Rotary International was held in Shanghai this week. At the first large function of the conference April 12, the delegates and hosts, accompanied by their wives, gathered at the country place of Mr. and Mrs. W. J. Hawkings where they were entertained at tea. Among others at the reception were Dr. C. T. Wang, District Governor, and A. Morley, President of the Shanghai Rotary Club. Delegates from many cities were in attendance. Tsinan was represented by J. C. Croome, President of the Club there and H. P. Lair of the Tsinan Club. Hsu Mo, Political Vice President of Foreign Affairs, and President of the Nanking Club, and T. T. Zee, a banker, were the Nanking delegates. Another Nanking delegate was Robert J. Holmes, who was the guest of J. W. P. Marsh in Shanghai. A visitor from afar was G. J. Maley, formerly President of the Isle of Man Club. A conference was held at the International Club April 11. A dinner was given by the Shanghai Club at the Astor House Hotel in the evening when an address was made by R. I. Past President Dr. Crawford C. McCullough.

Government Directors Are Named for Manufacturers' Bank Here

Six directors and five supervisors on behalf of the National Government were appointed Apr. 14 by the Executive Yuan to the controlling Boards of the Manufacturers' Bank of China with head offices in Shanghai. Representing the interests of Government shares, the six new directors appointed were: K. P. Chen, General Manager of the Shanghai Commercial and Savings Bank; Jian Chen, Deputy Governor of the Central Bank; Yeh Tso-tang, Managing Director of the Central Trust; Chen Hung, formerly Director-General of the National State Lottery Administration; Chang Yi-ou, and Sheng Ping-chen. The five new members of the Board of Supervisors appointed were: Jabin Hsu, Director of the General Affairs Department of the Ministry of Finance, Chen Yu, Counsellor of the Ministry of Industry; Wu Chi-ting, Director of the Internal Revenue Administration of the Ministry of Finance; Hsu Hsieh-kang, and Chang Han-cheng.

For The Child With Colic.

Colic is frequently associated with diarrhoea and may be the result of food poisoning. Sometimes harsh purgatives are the cause, the use of which cannot be too strongly deprecated where young children are concerned. If colic is associated with constipation and vomiting there is probably some obstruction of the bowel.

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New Books of Interest in the Far East

Christian Charity for Japan

Toward Understanding Japan, Constructive Proposals for Removing the Menace of War. The MacMillan Company, New York, G. $2.00.

Dr. Gulick's volume is one of those recently numerous books by what have become an almost professional class of international peace-makers since the question of a new World War, and more particularly of an American-Japanese War, has come into prominence. He advocates peace at any price, (immediate recognition of Manchukuo, of course) and endeavors to show that for America no war with Japan could possibly be justified short of "an actual attack by Japan upon Hawaii and our Pacific Coast."

The author was a missionary in Japan and the publishers state that he has known the Japanese for fifty years. From 1914 to 1933 he was secretary of the Department of International Justice and Good-Will of the Federal Council of Churches of Christ in America, and has also been secretary of the National Committee on American Japanese Relations. He is frankly sympathetic with Japan and obviously sincere in his horror of war and belief in the possibility of peace. "By seeking first the Kingdom of God and His righteousness in our international relations all other benefits will be added unto us," he concludes after putting forth his "good neighbor" policy in the last chapter.

The book will be welcomed by all who are seeking to prevent wars and especially by the missionaries in the Far East. The arguments against the necessity for America to go to war with Japan are convincing, but the author tries so desperately hard to prevent American "misunderstanding" of Japan and her motives in the Far East, that he over-reaches himself. The result is that his presentation of his material is emotional rather than logical, and the reader is tempted to reflect upon the phenomenon often observed about residents of fifty years in China and Japan, that they might as well have spent them in a quiet little garden in the Middle West. Undoubtedly Dr Gulick knows the "peace-making, anti-militaristic Japan, predominantly Christian, whose influence some day may become powerful" (upon which he bases his hope for the future), but he shows an amazing lack of understanding of internal Japanese politics and of the forces behind her powerful economic drive.

Although he shows that he is aware of the great conflicting currents of trade-competition at present stirring in the Pacific Ocean and would like to base his argument upon a realistic understanding of them, in fact he remains a gentleman of the old school, tending to put the cart before the warhorse. Hence he inclines toward believing that wars are caused by munitions makers, by newspaper headlines, naval inequality, impolite diplomats and such, arguing over "a conflict of policies." As a result he tends to believe that this conflict of ideas in thin air can be exorcized by a little hocus-pocus—by "clearing away the *misunderstandings*" between nations. It never occurs to him that the people who are at present laying the fundations for such wars *understand* each other all too well.

The thesis of his book is that we must coddle, forgive, and "understand" Japanese Imperialism on the basis that the pot cannot call the kettle black, which is no argument for peace. His wholesale excusing of all Japan's impredations greatly weakens his argument. In fact, such a book will delight the Japanese militarists and provide them with Christian approval for their "glorious course of history," and as such is a dangerous type of book to place before the public. It is a pitiful commentary on the helplessness of Christianity if its spokesmen cannot put forth a more definite program than this for actually preventing wars, rather than excusing a *fait accompli*, and surrounding the results of aggression with a halo of words about "peace and order."

One fundamental fallacy of the book is that it intentionally ignores China, and another that it implies that it is possible for the world to go back to isolationism. The Japanese question does not exist apart from China, and no analysis of it has any meaning without considering this first. Dr. Gulick actually believes that the Chinese problem is so simple that "Freed from the curses of warlords and Communism and under the guidance of Japan" China would be a happy, prosperous nation.

The "Constructive Proposals" are: A more positively "Good Samaritan" definition of Roosevelt's "Good Neighbor" policy in general and specifically, keeping American capital at home; trade promotion between Japan and America; redefinition of the American Naval Policy and revision of the naval building program and naval ratios; Philippine Independence; repeal of the Asiatic Exclusion Law; Immediate recognition of Manchukuo by America and the powers; submission of the question of Japan's Mandate in the Pacific to the World Court, control of narcotics by the League, a new American-Japanese Non-Aggression Pact, a Security Pact for the Pacific, and Control of International Traffic in Arms.

The book almost became interesting when he began quoting Peffer and Field, from that useful volume, "Empire in the East," calling "for drastic changes in the domestic economy of all industrialized nations," but Dr. Gulick does not quite understand the implications of these ideas, and pussyfoots out of this rather hot question to his rather limp conclusion which is in effect, "mutual understandings, concessions and adjustments," though he does agree that "the time has come for American investors and traders abroad to take their own risks," which may cause them to "keep their capital at home to the benefit of their own people."

To one, such as this reviewer, who is earnestly seeking not only to remove the realized "menace" of war, but to remove the necessity for wars, Dr. Gulick's proposals do not attempt to solve the basic contradiations involved, nor even to question their validity, of course.

H. S.

Harris Foundation Lectures on Soviet Russia

The Soviet Union and World-Problems: Lectures on the Harris Foundation 1935. *Samuel N. Harper, Editor. Chicago, University of Chicago Press*, 1935. *xviii*, 253 *pages, appendixes, charts, maps.* $2.50 Gold.

This book is made up of five lectures given at the Eleventh Institute under the Norman Wait Harris Memorial Foundation held at the University of Chicago during the past summer. Necessarily any Institute held on the subject of the Soviet Union with speakers from Communist Russia would have an official relationship to the government, and for that reason the opinions expressed can be considered acceptable to the Russian government. The public lectures were but a small part of the annual institute; the round-table discussions in which the speakers participated, and the imposing list of guests, provided opportunity for a valuable and provocative exchange of ideas. It would have been interesting if more material from the nine discussions had been included in the volume.

The opening lecture, Basic Principles of Soviet Foreign Policy, was given by Ambassador Troyanovsky who before his appointment to Washington was for many years ambassador to Japan. The second lecture by Ivan Boyeff on The Soviet State Monopoly of Foreign Trade is presented from his experience as former vice-commissioner of foreign trade and from his present position as chairman of the Amtorg, which operates in respect to Soviet-American trade relations. Vladimir Romm, for many years correspondent for the Tass news agency in the Far East, describes the geographic changes resulting from the Five-Year Plans. The political and cultural features of the nationality policy are covered in Professor Hans Kohn's lecture. The last lecture by Professor Malbone Graham, the only one in the series by an American, draws together the group of lectures, all of which touched upon the aim of peace in the Soviet policies in relation to other countries. Mr. Graham's lecture is entitled The Peace Policy of the Soviet Union.

The first and last lectures consider Sovier foreign policy, a matter of the utmost concern in light of recent developments both in the Far East and in Europe itself. The two speakers show plainly the difference of technique in interpretation between the diplomat and the student of international relations. Ambassador Troyanovsky emphasizes the point that the ideals of the Soviet must be given in her foreign policy, and as his keynote he uses Stalin's well-known phrase: "We do not covet a single foot of foreign soil; but not a foot of our land shall be yielded to an invader. His lecture ends thus:

> "We have no doubt about the morale of our own people in the case of an emergency, and if an invader takes the choice of aggression against us we are confident that we shall have the sympathy of many people in the hostile camp. In any event the aggression will come from elsewhere, and the responsibility will not be ours. Peace is our watchword, but if the inavder comes we are assured that our form of democracy will manifest a full capacity to defend itself even to the utomost of sacrifice and to the limit of energy."

Professor Graham gives the same thesis a more academic form, saying that throughout the various phases of Bolshevik foreign policy the ideal of peace has been continuously present. Following out the stages of foreign policy since the Treaty of Brest-Litovsk, Mr. Graham finds that Russia has turned more and more toward realism more and more away from the heady radical utterances which marked Chicherin's first documents.

The most stimulating of the lectures is that by Romm on Geographic Tendencies in the Soviet Union. The opening of new resources is shown not only in its economic aspect, but also as it gives new relationships to the outside world quite different from those which characterized the former Russian Empire. The development of the Far Eastern area is shown to be one of the basic ideals of the Five Year Plans. During the first Five Year Plan more capital was invested in this region than during the entire period of the old regime. The completed plans in the Far East call for direct communication through the North Sea route from Europe to Vladivostok, for water communications with the rivers of northern Siberia as that area is opened up for timber, for chemical and paper industries, for oil, coal and minerals.

The materials included in the appendixes are related to the topics covered by the lectures. There is, for example, Litvinov's acceptance speech for Russia's membership in the League of Nations, and there are texts of treaties and pacts and of reports of Stalin which explain the Soviet policies. The maps show the nationality divisions of the Soviet Union.

This book, in the opinion of the reviewer, suffers the defects of all published lecture series, namely the limited space allotted to each topic. At the same time this very brevity makes it essential to enunciate each principle clearly and definitely. Moreover one can feel assured that of the first four lectures the opinions given are not only personal opinions, but are those which were acceptable to the Soviet government.

F.M.R.

An Unsatisfactory Anthology

In These Times, Facts and Opinions. Yenching English series. Peiping, 1936.

"In These Times" is a thoroughly unsatisfactory anthology of excellent material. The compilers' introduction, signed by A. Douglas Rugh, explains that the purpose of the book is to present "opinions on contemporary Chinese problems in English" expressed by "competent Chinese", and that this material "is not intended to be literary or comprehensive but rather practical and stimulating." These promises the compilers violate without restraint.

At least a third of the 336 contributions in the book are from the pens of foreign writers, while some of the articles, such as Halliburton's sugary concoction on the Emperor of Ethiopia, have very remote relation to China's problems.

The arrangement of the material has also been done with a surprising lack of skill. Henley's "Invictus," which all of us had to memorize at one time or another, rubs shoulders with the China International Famine Relief Commission's cut-and-dry account of its nature and activities. Hunt's too-sweet "Abou Ben Adhem" adjoins Sophia Zeni's business-like and interesting article on the "Chinese Family in Disintegration." Edwin Markham's masterpieces, "The Man with the Hoe", is put next to the Preamble to the Covenant of the League of Nations,—both of which could well have been excluded from an anthology of contemporary Chinese opinion.

Were it possible to eliminate the irrelevant material and re-arrange the remaining articles in a logical sequence, the anthology would acquire some value. The book has a neat appearance, and a number of typographical errors.

M.

Writer in China Quarterly Discusses Japan's Finances in Case of War

The current number of *The China Quarterly*, published in Shanghai (C. Kuangson Young, managing editor) contains a discussion of Japan's national budget in the light of possibilities for war, by "Amus." The writer points out that Japan's foreign trade is unhealthy and cites figures to show that Japan's imports cannot be curtailed; therefore, her one chance is to increase exports, but there is no reason to believe that exports will increase, but rather, in case of war, will probably decrease. The principal source of raising funds would be external borrowing. There are only three countries namely, the United States, Great Britain and France that could make a sufficiently large loan to Japan to meet her requirements. The author points out reasons why each of said countries would hesitate to make such loans.

Other articles in this excellent journal discuss such subjects as women's education, mass education, modern medicine, libraries, foreign policy, etc.

Republication Rights for Lu Hsun's Short Stories

A number of short stories written by the undersigned have recently been translated into English and published in *The People's Tribune*, Shanghai, edited by T'ang Leang-li. These translations have been made without obtaining the consent or agreement of the author, and their publication is in all respects unauthorized. All rights of translation and publication of my work are reserved by me, the author. Unauthorized publication thereof is in violation of such rights and of the rights of certain persons to whom the undersigned has assigned the stories. Whatever legal rights that may accrue to the undersigned by reason of any unauthorized publication will be vigorously enforced.

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China Central Machine Works to Be Completed in May

The construction of the Central Machine Works will be completed in May, according to local industrial circles. The Works will include a foundry and a steel plant. The equipment which are ordered from England, has already arrived in Shanghai.

Development of Anki Mines Will Require $20,000,000

Advices from Foochow, state that the prospecting work of the Anki iron mine has been completed. Of the total number of Japanese mining engineers, only three are staying at Anki now to wind up the prospecting work in the area. According to these engineers, 50 per cent of the ores are iron and the total reserves in the area are estimated to be more than 80,000,000 tons. It is reported that $20,000,000 is needed for developing these mines. The provincial authorities have not yet decided whether they will open the mines or not.

Artificial Silk Factory to Be Built in Hangchow

For the development of the silk industry, the Shanghai silk merchants last week submitted a plan to the National Government for the establishment of an artificial silk factory at Hangchow. The factory will have a capital of $10,000,000 to be subscribed jointly by the Government and the public. The plan, which was brought to Nanking by Wang Yen-sung, is reported to have received approval from the Ministry of Finance and the Ministry of Industry. It is believed that after a thorough discussion of the plan by the Government authorities and the merchants, definite steps will be taken in the near future to build the factory.

Japan To Develop Her Shipping Industry in China

The *Ta Wan Pao* says the Japanese shipping companies have decided to make an increase of 40 ships on the lines now operated by the Japanese in China.

Ministry of Industry to Open Vegetable Oil Factory in Hunan

For the development of the vegetable oil industry in Hunan, the Ministry of Industry has decided to open a factory in Changsha. Chang Chia-chou has been sent to Changsha by the Ministry to make the necessary preparations for the establishment of the factory.

China Has Favorable Balance of Trade With U.S.

China had a favorable balance of merchandise trade with the United States during the month of February amounting to U.S. $6,627,000, U.S. the Department of Commerce reported April 10, in spite of a reported unfavorable trade balance with the remainder of the world. The balance results from China's exporting $9,053,000 to the United States and importing from said country only $2,426,000. During the month of January China sent $8,328,000 worth of goods to the United States and imported only $2,875,000.

Japanese Industrial Development in China

The *Chung Wha Jih Pao* says that in an attempt to monopolize the Chinese market, the Japanese industrial interests are organizing a number of factories in Shanghai. In the past year, no less than 24 new Japanese factories were established here, (1) five rubber goods manufacturing plants, (2) three cotton spinning and weaving plants, (3) two soap factories, (4) two cigarette factories, and (4) twelve other factories.

Extension of Kiaotsi Railway to Honan Under Consideration of Ministry

A *Central News* dispatch from Tsingtao notes that Shantung, Hopei and Honan provinces will be more closely knitted together when the project for the extesion of the Kiaotsi (Kiaochow-Tsinan) Railway westward to Honan, now under the consideration of the Ministry of Railways, materializes. The extension, according to present plans, will be constructed by three stages. First the line will be extended from Tsinan to Liaocheng in west Shantung; second from Liaocheng to Taming in southern Hopei; and third from Taming to Changteh in northern Honan, where it will link up with the Peiping-Hankow Railway.

New Dock at Foochow is Formally Inaugurated

The newly constructed Number 2 dock of the Mamoi Dockyard at Foochow was inaugurated April 10. The dock is 375 feet long and has been built at a cost of $200,000. Among those present at the opening ceremony were Chen Chao-ying, Control Yuan Commissioner for the Fukien-Chekiang Area, and General Chen Yi, Chairman of the Fukien Provincial Government.

Peiping Rug Industry Declines—Lack of Demand—High Prices for Wool

North China's rug and carpet industry is being hard hit in various directions. Owing to the declining demand from abroad the production in Peiping has dropped from 1,000,000 square feet to 500,000 square feet per year. Prices have gone up considerably in sympathy with the price of raw wool, which is in increasing demand abroad. Hsining wool, which for a long time had stood around $40 per picul (133 lbs.), is now selling for $60. Rug manufacturers are also faced with higher dye prices and workers who demand better wages.

Judgment Given Against American Church Mission for $127,586.63

By a decision given by Judge Milton J. Helmick in the U. S. Court for China April 9, A. H. Hatherly was awarded $127,586.63 in his suit against the American Church Mission, representing the balance claimed by plaintiff as due on property on Hart Road purchased by the Mission through the Asia Realty Company, Federal Inc., U.S.A., for use as a site for the new St. Luke's Hospital. In his petition, Mr. Hatherly alleged that the total purchase price for the land, covering more than eight mow, had been $234,219.13, of which only $114,219.13 was paid. He stated that the purchase was made in January of 1924, at which time the down payment amounting to $70,000 was made. More payments totaling $44,219.13 were made later, but when the Asia Realty Company went into the hands of a trustee, the payments stopped.

Representatives of the American Church Mission by way of defense stated that the Mission was not the purchaser of the property but that the written contract for the sale was made between the plaintiff and the Asia Realty Company and that the latter concern was not the agent of the defendant but actually a principal in the deal. The main issue at stake was whether or not the Asia Realty Company was in fact that agent of the Mission or whether the defendant was liable to the plaintiff upon the contract made for the purchase and for the unpaid remainder of the purchase price. The negotiations for the purchase were carried on by W. P. Walker, who was both treasurer of the American Church Mission and a director of the Asia Realty Co.

In giving his decision, Judge Helmick said, "Quite apart from any declarations of the agent, the fact of the agency is abundantly established by the surrounding circumstances and by the written communications of the defendant itself."

Translation of Factory Inspection Regulations Published by Commercial Press

Among the problems that the Shanghai Foreign Municipality will have to face in due course is that of the enforcement of factory regulations. The situation at present is that the Chinese Goverment on Oct. 14, 1935, promulgated a set of factory safety and health inspection refiulations, but these are not enforced in the Foreign Settlement. The annual report of the Shanghai Municipal Council Industrial Section stated in reference to these new regulations, "when an agreement with the Chinese authorities is reached in the matter of jurisdiction, the enactment will form a useful and practical basis for action." The Commercial Press has just issued a brochure containing the text of the Chinese regulations, both in Chinese and English, the Engiish text having been translated by Koo Ping-yuen. It is to be noted that these Inspection Regulations are supplementary to the Factory Inspection Laws (1929-1935), which were also translated by Mr. Koo.

U. S. Pays China in Gold So as to Strengthen New Currency

Writing in the *Washington Herald* Feb. 14, Cecil B. Dickson stated that U. S. Secretary of the Treasury Morgenthau had disclosed the previous day that the United States Treasury deliberately broke the world price of silver in December to halt smuggling of the metal from China to Japan for resale to the U. S. Government on the London market. As another move to counteract smuggling activities through Japan, the United States bought fifty million ounces of silver directly from the Nanking Government, paying $32,500,000, while the Japanese were extending their control over North China, the Secretary revealed. Further, to help the Chinese Government strengthen its new currency Secrtary Morgenthau said the Treasury had paid for some of the fifty million ounces of silver with $10,000,000 in gold. He said he would let China have more gold for silver if needed.

Chairman of German Industrial Mission Leaves for Japan

The Shanghai *Li Pao* April 7 stated that the Chairman of the German Industrial Mission, which is visiting Japan and China for an investigation tour, left here secretly for Japan to conclude a German-Manchuria Economic Agreement. It is stated that this economic agreement provides for the exchange of soyabeans and machines between Manchuria and Germany. It was because of the report of this agreement that the German Industrial Mission, during its sojourn in China, was not welcomed by Chinese business circles.

The *Shun Pao* stated the same day that a group of 150 German industrialists will visit Kwangtung province and would call on the Chinese political as well as industrial leaders of the Southwest.